



सत्यमेव जयते

00349

257

REPORT OF
THE PRINCIPAL
ACCOUNTANT GENERAL
(AUDIT) ASSAM

ON

URBAN LOCAL BODIES
AND
RURAL LOCAL BODIES

ASSAM

FOR THE YEAR ENDING
31ST MARCH 2006



**PRINCIPAL ACCOUNTANT GENERAL (AUDIT)
ASSAM**

2007

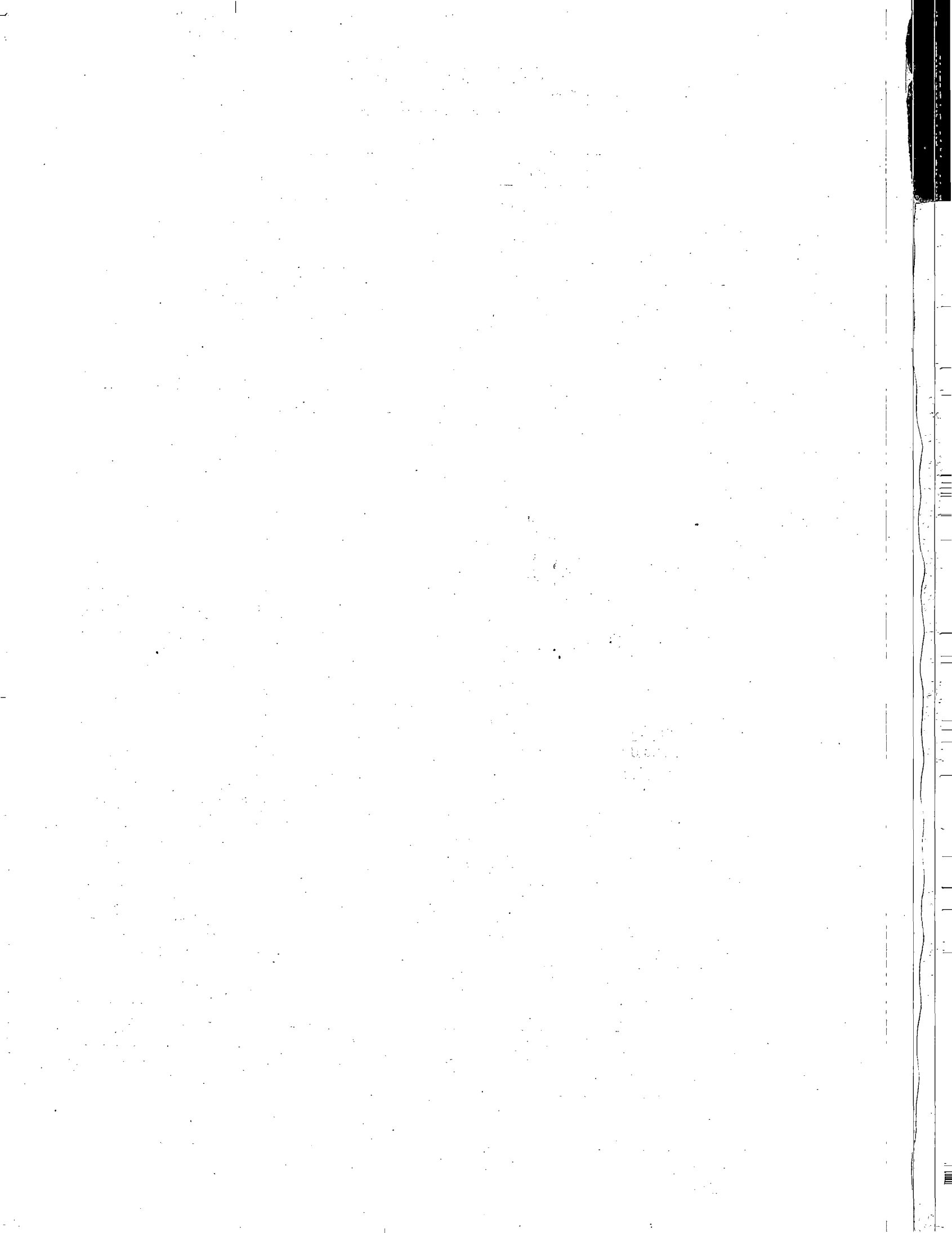
REPORT OF
THE PRINCIPAL ACCOUNTANT
GENERAL (AUDIT) ASSAM

ON

URBAN LOCAL BODIES
AND
RURAL LOCAL BODIES

ASSAM

FOR THE YEAR ENDING
31ST MARCH 2006



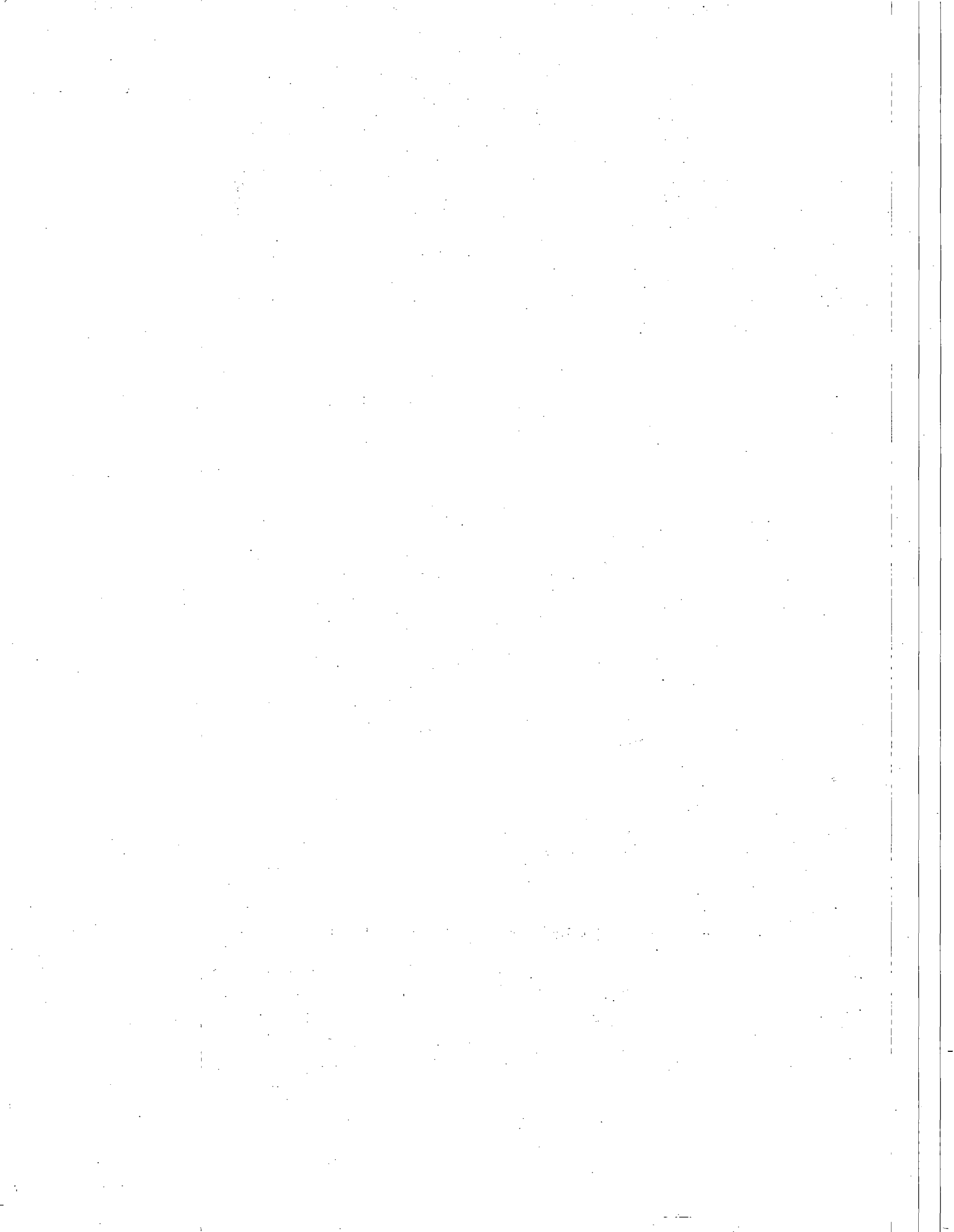
CONTENTS

		Reference to	
		Paragraph	Page(s)
Preface			v
PANCHAYATI RAJ INSTITUTIONS			
Chapter -I		An overview of the Panchayati Raj Institution	
	Introduction	1.1	1
	Organization Setup	1.2	2
	Powers & Functions ULBs &RLBs	1.3	5
	Financial Profile	1.4	5
	Audit Arrangement	1.5	7
	Audit Coverage	1.6	7
	Adoption of Accounting Formats	1.6.1	8
	Response to Audit Observations	1.7	8
Chapter - II		Accounting Procedure & Financial Management (PRI)	
	Loss of revenue due to non deduction & non remittance of Income Tax	2.1	9
	Retention of huge amounts in cash	2.2	9
	Tax collected but not reflected in Cashbook and Bank Passbook	2.3	10
	Non-Adjustment of Advances	2.4	10
	Non merger of Mahakuma Parishad Fund	2.5	11
	Non-recoupment of Fund with the lifting of MDM	2.6	11
	Acquisition of Movable Assets	2.7	12
Chapter - III		Revenue Receipts	
	Loss of Govt Revenue in the shape of Registration Fee and Stamp Duty	3.1	13
	Outstanding Kist Money	3.2	13
	Loss of revenue due to non-settlement of market to highest bidder	3.3	14
	Loss of revenue due to remission of Market Kist	3.4	14
	Non-distribution of Hat/Ghat share	3.5	15
	Loss of Revenue due to non-deduction of AGST	3.6	15
Chapter - IV		Implementation of Schemes	
	Sampoorna Gramin Rojgar Yojana (SGRY)	4.1	16
	Excess expenditure incurred on Administration/Contingencies	4.1.1	16
	Discrepancies in connection with lifting and utilization of food grains	4.1.2	17
	Utilization of SGRY fund	4.1.3	18
	Non-disposal of empty gunny bags	4.1.4	18
	Irregular adjustment of food grain	4.1.5	19
	Irregular payment of purchase of materials	4.1.6	20

	Unauthorised diversion of SGRY fund	4.1.7	20
	Non-submission of vouchers	4.1.8	21
	Payments of Godown Rent	4.1.9	21
	Irregular implementation of SGRY scheme	4.1.10	22
	Unauthorised withdrawal of SGRY fund	4.1.11	22
	Withholding of benefit under Centrally Sponsored Scheme	4.2	22
	Irregular payment out of IAY	4.3	23
	Irregular allotment of houses and payment	4.4	24
	Unauthorised diversion of fund	4.5	24
URBAN LOCAL BODIES			
Chapter -V An Over view of Urban Local Bodies			
	Organizational Set Up	5.1	26
	Power & Function of Urban Local Bodies	5.2	27
	Financial Profile	5.3	28
	Audit Arrangement	5.4	28
	Audit Coverage	5.5	29
	Response to Audit Observations	5.6	29
ACCOUNTING PROCEDURES AND FINANCIAL MANAGEMENT			
	Annual Accounts	5.7	30
	Report on Management and Working and Periodical Audit	5.8	30
	Non-Adjustment of Advances	5.9	30
	Tax Collected but not reflected in Cash Book and Bank Pass Book	5.10	31
	Outstanding Government Loans and Interest	5.11	31
	Non-remittance of C.P.F	5.12	31
	Non-remittance of Professional Tax	5.13	32
	Diversion of Fund/Grant	5.14	32
	Suspected mis-appropriation of Government Grants under NSDP and EIS Scheme	5.15	32
	System deficiencies	5.16	33
CHAPTER-VI REVENUE RECEIPTS			
	Outstanding Municipal Tax	6.1	35
	Outstanding Kist Money	6.2	36
	Irregularities in Allotment of Markets, Cycle Stand, etc	6.3	36
	Loss of Revenue due to non-realisation of Trade license fee	6.4	37
	Loss of Revenue due to non-deduction of AGST	6.5	37
	Loss of Revenue due to Non-deduction of Income Tax	6.6	38
	Outstanding of Room Rent of Market	6.7	39
	Loss of revenue due to undue financial assistance to Lessee	6.8	39

Preface

1. This Report for the year ended 31 March 2006 contains the result of audit of the accounts of Urban Local Bodies and Panchayati Raj Institutions in the state of Assam
2. Based on the recommendation of the Eleventh Finance Commission the Government of Assam entrusted the Audit of PRIs to the C & A.G. of India vide letter no. FM 23/2000/68 dated 18.5.2002 under section 20 (1) of the C & AG's D.P.C. Act 1971 for providing technical guidance and supervision to the Director of Local Fund Audit. Necessary legislation by the State Govt. for placing the Audit Report on Local Bodies before the State Legislature is yet to be made and passed.
3. The Report contains six chapters of which Chapter I contains Overview of the Structure and Finances of PRIs. Chapter II, III & IV of this report contains audit observations on matters related to Accounting Procedure & Financial Management, Revenue Receipt and Implementation of Schemes respectively under PRIs. Chapter V contains Overview of the Structure, Accounting Procedure & Financial Management and Chapter VI contains Revenue Receipts for the ULBs of the State of Assam for the year ended 31st March 2006.
4. The cases mentioned in this Report are among those, which came to notice in the course of test audit of accounts of 4 (four) units of ULBs and 19 (Nineteen) units of PRIs conducted during 2006-07 (up to December 06).



CHAPTER-1

AN OVER VIEW OF THE PANCHAYATI RAJ INSTITUTION

1.1 Introduction

The audit institutions entrusted with responsibility of audit of Local Bodies, derive their duties and powers from articles 243 J and 243 Z of the Constitution of India, which expect the States to make Legislation for maintenance of accounts by the Urban Local Bodies and the Panchayati Raj Institutions (PRIs) and their audit. Accordingly, various States have passed necessary legislation for maintenance of accounts and audit of Local Bodies.

In Assam the Director, Local Fund Audit is vested with the authority for audit of accounts of the Urban Local Bodies and PRIs. As per recommendations of the Eleventh Finance Commission and the guidelines for utilization of grants to Local Bodies issued by Finance Ministry, Government of India, the Comptroller and Auditor General of India has been entrusted with the responsibility for exercising control and supervision over the proper maintenance of accounts and their audit for all three levels of PRIs/ULBs under Section 20(1) of C & AG's (Duties and Powers and Condition of service) Act, 1971 vide FM 23/2000/68 dated 18.5.2002.

Thus the Director, Local Fund Audit is the primary auditor for Local Bodies, while the C&AG of India conducts a test check by way of technical control and supervision.

Consequent upon passage of 73rd and 74th Constitutional Amendment Act 1992, Assam Panchayat Act 1986 has been replaced by a new Act , Panchayat Act 1994, passed by Legislature in May 1994, to decentralize powers and have a three tier structure of local self governing bodies at the district, block and village level. With these landmark constitutional amendments, the local self-government at various levels got a new lease of life and many state laws were enacted to ensure proper functioning of democracy at the grassroots.

1.2 Organizational Set Up

There are three tiers of Panchayati Raj in Assam, the Zilla Parishad, Anchalik Panchayat and Gaon Panchayat at the district, block and village level respectively.

The PRIs institutions of Gaon Panchayats, Anchalik Panchayats and Mahkuma Parishad were in existence under the Assam Panchayat Act, 1986. Zilla Parishads were formed during January to April 2002 with the merger of the erstwhile Mahkuma Parishads situated in District/Sub. Divisional Hqrs. There are 21 Zilla Parishads, 219 Anchalik Panchayats and 2487 Gaon Panchayats functioning in Assam. Further, details of PRIs in the sixth schedule areas are as follows:

Hills area

Sl No.	Name of District	Numbers of Block	Numbers of GPs
1	Karbi Anglong	11	Nil
2	N.C.Hills	5	Nil
	Total	16	<i>Nil</i>

Bodoland Territorial Autonomous District area

Sl No.	Name of District	Numbers of Block	Remarks
1	Kokrajhar	14	Dev.Blocks fully (vide Notification No.PDA.226/2004/6 dtd.5.4.2004)
2	Cirrang		
3	Bagsha	26	Dev. Blocks partially (vide Notification No.PDB.226/2004/7 dtd. 5.4.2004)
4	Udalguri		

The Commissioner and Secretary to the Government of Assam, Panchayat and Rural Development Department is the Administrative Head at State level. Funds and Food-grains released by Central Government are routed through the DRDAs to all the PRIs

(i) Panchayati Raj Institutions

The PRIs at all the three levels consist of elected representatives and supporting staff who are Government servants. The members of each tier in the Panchayats elect the President, Vice President and Chairpersons of the Standing Committees. The President/Chairperson/Mayor is an ex-officio member of every standing Committee and the Vice President/Vice Chairperson/Deputy Mayor is an ex-officio member and Chairperson of the Standing Committee for Finance.

Each PRI has a Secretary and supporting staff who are Government servants. The staff of the three levels of PRIs are as given below:

Staff of Zilla Parishad

Designation	Number of staff
Chief Executive Officer	1
Chief Accounts Officer	1
Chief Planning Officer	1
Office Staff	8
Jr. Engineer	1
Tax collector	1
Driver	1
Grade IV	6
Total	20

Staff of Anchalik Panchayat

Designation	Number of staff
Executive Officer or Secretary	1
Office Staff	3
Tax collector	2
Group D	3
Total	9

Staff of Gaon Panchayat

Designation	Number of staff
Secretary	1
Tax collector	1
Total	2

Status of Activity Mapping

The Government of Assam, Department of Panchayat and Rural Development issued a Notification (No. PDA.336/2001/Pt/80 dated 26.7.2002) published in the Assam Gazette on 13.8.2002 for mapping of 29 subjects transferred to the PRI institutions. The activities of 29 subjects as per mapping of activities among Zilla Parishad, Anchalik Panchayat and Gaon Panchayat were transferred to Panchayati Raj Institutions with immediate effect. The activities, sources of funds and the functionaries required to assist the Panchayati Raj Institutions at the three tier, Zilla Parishad, Anchalik Panchayat and Gaon Panchayat were also specified in the notification. The Activity Mapping specified, separately for the three tiers of Panchayats, the Activity devolved, source of fund and the functionaries which were to assist the PRIs^{have} not been accompanied by devolution of funds and functionaries who work exclusively for Panchayati Raj Institutions. The Activity Mapping done has also largely remained on paper since most of the Departments did not issue orders operationalising it. Only 6 Departments, namely, Education (Elementary and Secondary), Soil Conservation, Handloom & Textiles, Power, Agriculture and Veterinary have so far issued orders putting the Activity Mapping into effect.

1.3 Powers and Functions

A Gaon Panchayat [Section 19 of Assam Panchayat Act, 1994]

- 1 Preparation of Annual Plans
- 1 Preparation of Annual Budget of GP
- 2 Mobilization of relief in Natural Calamities
- 3 Removal of Encroachments on public properties
- 4 Organizing voluntarily labours and contribution for community works
- 5 Maintenance of essential statistics of village

B Anchalik Panchayat [Section 49 of Assam Panchayat Act, 1994]

- 1 Preparation of Annual Plans and submission thereof to the Zilla Parishad
- 2 Consideration and consolidation of Annual Plans of all GPs under the AP
- 3 Preparation of Annual Budget
- 4 Performing such functions and executive such works as may be entrusted to it by the Government or by the ZP
- 5 To assist the Government in relief operation during Natural Calamities

C Zilla Parishad [Section 80(1) & (2) of Assam Panchayat Act, 1994]

The Government may assign to a ZP in relation to any matters to which the Executive Authority extends or in respect of functions, which have been assigned to the State Government by the Central Government.

1.4 Financial Profile

Panchayati Raj Institutions Fund comprises receipts from their own resources under their jurisdiction only and State/Central government grants and assistance awarded from time to time and loans obtained from any public financial institutions/ nationalized banks or such

other institutions as the State Government may approve, sums received as donations/contributions and all income from any trust or endowment.

Gaon Panchayats are required to prepare annual budget of estimated receipts/payments and forward the same to Anchalik Panchayat for approval. If Anchalik Panchayat fails to give approval within thirty days from date of submission, the budget shall be deemed to be approved (as required under Sec 27 of Assam Panchayat Act, 1994).

Similarly Anchalik Panchayat is required to submit their annual budget to the Zilla Parishad. Zilla Parishads submit their annual budget to the Govt through the Director, Panchayat and Rural Development, Assam. Government may either approve the budget or return it to the Zilla Parishad for modification to which the ZP shall oblige. If Government approval is not received within thirty days from the date of submission, the budget shall be deemed to be approved by the government (Sec 96 of Assam Panchayat Act, 1994).

The Receipts and Expenditure as per Finance Accounts for Assam for Major Head "0515" Other Rural Development Programme and "2515-Other Rural Development Programme, 101-Panchayati Raj is given below:-

Receipt (MH-0515)		Expenditure (MH-2515)-101-Panchayati Raj		
Year	Amount (in Rs)	Non-Plan (in Rs)	Plan (in Rs)	Total (in Rs)
2003-04	34,548	11,22,43,818	6,34,51,046	17,56,94,864
2004-05	Nil	21,69,03,000	6,76,40,000	28,45,43,000
2005-06	Nil	27,23,21,000	6,61,000	27,29,82,000

A few financial statistics for PRIs is as follows:

- ❖ Collection of taxes by Zilla Parishads, Anchalik Panchayats and Gaon Panchayats during the period 2005-06 was Rs 497.08 lakh, Rs.21.22 lakh and Rs.338.41 lakh respectively.
- ❖ Rs.23344.75 lakh was allocated as Eleventh Finance Commission Grants for the period from 2000- 2001 to 2004-05 out of which an amount of Rs.16671.89 lakh was released to the PRIs.
- ❖ Rs 26300.00 lakh was secured as first six monthly installment of 2005-06 relating to Twelfth Finance Commission Grants but no record of release of grants to the PRIs are available
- ❖ The SFC grant is not being regularly released to the Panchayats. This has seriously affected the functioning of the Panchayats. Currently the implementation of the recommendations made by Second SFC is left to the discretion of the State government.

Test check of PRI records revealed that no copies of Budget was available for scrutiny.

1.5 Audit Arrangement

In pursuance of the recommendations of the Eleventh Finance Commission, C&AG of India has been entrusted with Technical Guidance & Supervision / Support (TGS) under Section 20 (1) of C & AG's (DPC) Act.1971 vide their letter No. F.M. 23/2000/68 dated 18.5.2002.

1.6 Audit Coverage

Audit of accounts of 19 (nineteen) PRIs covering the accounts upto 31.03.2006 was conducted during May 2006 to December 2006.

1.6.1 Adoption of Accounting formats

Adoption of PRI account Format prescribed by C&AG of India was accepted by the Government of Assam vide Notification No.PDA.222/2003/41 dt 26.8.04 but the New Budget Manual and Accounts Manual is yet to be formulated and released.

1.7 Response to Audit Observations

The CAG conducted the audit of PRIs under 20(1) of CAG's (DPC) Act, 1971. Objections raised in audit were communicated to the respective PRIs in the form of Local Audit Reports (LARs) with copy to the Government. No replies to the objections, which were to be furnished within four weeks of receipt of LARs were received. Thus, 19 LARs and 274 paras for Rs 55.56 crore were pending to be settled as on 31 December 2006 for want of satisfactory reply from PRIs concerned.

There was no proposal even for constituting Audit Committees at appropriate level to discuss and settle the objection on the spot.

Important findings of audit are described in succeeding chapters.

PANCHAYATI RAJ INSTITUTIONS

CHAPTER-II

ACCOUNTING PROCEDURE AND FINANCIAL MANAGEMENT

2.1 Loss of revenue due to non-deduction and non-remittance of Income tax.

As per relevant provisions, Income Tax should be deducted at source from the bills of Contractors/Suppliers @ 15% on forest products (Sand, Boulders, Stones, Chips, Stone Dust etc) and @ 2% on general bills plus ½% surcharge thereon and shall be credited into the Government account in the subsequent month.

Test check of the records of 12 (Twelve) PRIs revealed that they did not deduct and deposit Income tax from the contractors/suppliers' final payment bills. As a result Government incurred a loss of Rs. 6.86 lakh during the period from April 2002 to March 2006.

(Annexure-A)

2.2 Retention of huge amounts in cash amounting to Rs.2.78 lakh

As per Rule 11 (1) and Rule 6 of the Assam Panchayat (Financial) Rules 2002, the Executive officer may not incur any expenditure out of the PRI fund without prior sanction/approval of the President of the concerned AP. Further, no money shall be withdrawn from the PRI fund unless required for immediate utilization and disbursement. If for any reason, the amount drawn could not be utilized and disbursed immediately, the amount such shall be refunded to the fund and may be drawn again when required.

Test check of relevant records, such as Cash Book, vouchers etc. of 2 (two) PRIs units revealed that the CEO/EO/BDO had drawn an amount of Rs. 2.78 lakh by drawing self-cheques *during February 2002 to May 2006* but these amounts remained undisbursed for long period ranging from 2 to 4 years. (Annexure-B)

2.3 Tax Collected not reflected in Cash Book and Bank Pass Book

Test check of records of 6(Six) PRIs revealed that various taxes and fees for Rs 4.42 lakhs collected during January 2001 to March 2006 as per records of the Receipt Books were neither reflected in the Cash Book nor in the Bank Pass Book. Non-accountal of such receipts in the books of accounts can lead to misappropriation/embezzlement. (Annexure-C)

2.4 Non-adjustment of Advances

(a) Test check of the records of Demow and Nazira APs revealed that Rs.61000/- sanctioned as advances (Nazira AP Rs. 37500 as TA advance to 7 (Seven) employees during 9/03 to 8/04 and Demow AP Rs.23, 500 as misc. advances to 4 (Four) employees during 9/01 to 8/05) have not been adjusted till March,2007

The practice of non-adjustment of advances for several years is in violations of provisions of General Financial Rules. (Annexure-D)

(b) As per Rule 17 (1) of the Assam Panchayat (Admn.) Rules 2002, the President and the Vice President of the Zilla Parishad shall be entitled to TA and DA on tour as admissible to class 1 State Govt officer and the President/Vice President of Anchalik Panchayat shall be entitled to TA and DA on tour as admissible to class II State Govt. officer.

Test check of the records of Dibrugarh Zilla Parishad, revealed that instead of preferring traveling allowances by the President/Vice President/CEO, cost of POL were claimed in advance in an adhoc manner without any adjustments.

Thus payments amounting to Rs 1,77,252/- made during 2002-03 to 2005-06 were in contravention of prescribed rules and need to be recovered/adjusted against preferred TA claims.

No response from the concerned unit was received till date.

Sl No	Particulars	Period	Amount (In Rupees)
1	Cost of POL, Paid to the President/Vice President	12/04 to 10/05	120480
2	Cost of POL, Paid to the CEO	1/03 to 10/05	56772
		Total	177252

2.5 Non-merger of erstwhile Mahakuma Parishad Funds to Zilla Parishad Funds.

Test check of records viz. closing balance of erstwhile Mahakuma Parishad's Cash Book, Bank accounts and list of handing over memos of Sivasagar and Dibrugarh Zilla Parishad revealed that funds of the erstwhile Mahakuma Parishads, which were to be merged at the time of constitution of these Zilla Parishad, were not transferred to the new account of these Zilla Parishads. The ZPs had no *details* about the funds and did not initiate any action to trace these funds. Thus embezzlement/misappropriation of fund of Rs 50.71 lakh cannot be ruled out. *

2.6 Non-recoupment of fund in connection with the lifting of Mid Day Meal

As per guidelines of Mid day meal (MDM) scheme, raw materials for preparing the meals are distributed by the Panchayats within their jurisdiction. The transportation cost is to be initially borne by the PRIs from their own funds/SGRY fund as per instruction of District Administration and would subsequently be reimbursed by the District Administration. Despite preference of claims by PRIs, no refund/reimbursement was made by the district

* Erstwhile Nazira Mahakuma Parishad (Rs 960/-) and Charaideo Mahakuma Parishad

(Rs.2443954/-) merged with Sibsagar Zilla Parishad = Rs.2444914/-

Dibrugarh Mahakuma Parishad merged with Dibrugarh Zilla Parishad = Rs.2625897/-

Grand Total Rs.5070811/-

administration till date of audit in respect of 8(eight) Development Block/APs amounting to Rs 15.83 lakh for the period from April 2002 to March 2006. (Annexure-E)

2.7 Acquisition of moveable assets costing Rs. 10.6 lakh without approval of State Govt.

As per section 90, 92, 93, 96, 99 and 100 of the Assam Panchayat Act, 1994, Zilla Parishad have the power to acquire/hold/dispose of property or to meet expenditure provided prior approval of the State Government is obtained.

Test check of records revealed that Sivasagar Zilla Parishad purchased 2 (two) vehicles costing Rs10.6 lakh from ZP's own fund and Bank Loans (no specific amount and name of the Bank from where the loans were obtained was recorded in the resolution) based on resolutions without taking any approval of the State Government.

Thus, the expenditure of Rs.10.6 lakh on purchase of the 2 (two) vehicles by Sivasagar Zilla Parishad was irregular and unauthorized. ***

(a) Resolution No. 8 dated 5th December 2002, resolved in the meeting to purchase a new Tata Sumo on the ground of recurring expenditure on repair of old vehicle. But no decision was taken regarding the fate of old vehicle and the Budget Provision for purchase.

(b) Similarly, in the resolution No. 11 (a) dated 16th February 2004, it was decided to purchase a vehicle (without Brand) for the use of C.E.O by Bank loan without fixing the maximum limit of loan and source from where the loan would be repaid.

*** Tata Sumo bearing Regn. No. AS-04D 7289 dtd 1.1.03 = Rs. 5,63,734/-

Balero (Mahindra) No. AS-04D/0002 dated: 1.3.04 = Rs. 4,93,890/-

Total Rs.10, 57,624/-

CHAPTER-III

REVENUE RECEIPTS

3.1 Loss of Revenue of Rs.36.34 lakh on account of Registration Fees and Stamp Duties

Local markets, Par-ghats, fisheries etc falling under jurisdiction of Panchayats are settled/leased with individual bidders annually on lease basis by inviting open tenders. As per terms & condition of NIT the successful bidder should mortgage a plot of land of the same allotment value (bid value) or more by executing a registered deed at own cost within 7 (seven) days of settlement failing which the settlement will be treated as cancelled.

Further, as per Article No.35 (ii) of Assam Gazette Notification dated 5-7-89 stamp duty @ 3% of demand should also be borne by the lessee concerned in addition to Registration fee.

Test check of 19 (nineteen) PRIs revealed that 1038 markets/Par-ghat/ fisheries were leased during the period 2002-03 to 2005-06 but no agreement deed was registered between the Panchayat authorities and Lessees.

Thus due to non-registration of agreement deed due to non-mortgage and subsequent non deduction of stamp duty for a period ranging from 1 year to 4 years, 19 (Nineteen) PRIs, incurred a revenue loss of Rs 36.34 lakh (Registration fee Rs 22,99,106/-plus Stamp duty Rs 13,34,843/-).

No action was initiated by the PRIs to realize the outstanding dues. (Annexure F)

3.2 Outstanding Kist Money of Rs 89.88 lakhs not realized

Local markets are leased out to private parties annually by inviting open tenders. The highest bidder is awarded the lease on the condition that the bidder must deposit their kist money in three equal installments.

Test check 13 (thirteen) PRIs revealed that kist money amounting to Rs.89. 88 lakh till the close of the year 2005-06, are yet to be realized. The Panchayat authorities did not initiate any action to realize the outstanding till March, 2007

This reflects inadequacy in control and monitoring mechanism in Panchayats. (Annexure-G)

3.3 Loss of Revenue due to the non-settlement of Markets to the highest bidder

Test check of records related to settlement of markets under 10 (ten) PRI units for the years 2002-2003 to 2005-2006 revealed that markets/Par-gahats, fisheries etc were not leased out to the highest bidder. The highest bidders were rejected without assigning any reason and other bidders were allotted markets etc on lease basis in 340 cases by the 10 APs.

Thus, the PRIs incurred loss of revenue of Rs 1.13 Crores lakh by violating rules by non-award of contract to highest bidders. (Annexure-H)

3.4 Loss of revenue due to remission of Market Kist

As per Section 95 (3) of the Assam Panchayat Act 1994, remission/exemption of receipts may be allowed if provided under bye laws or by the State Government on the recommendations of Zilla Parishad.

Test check of records of Sivasagar Zilla Parishad revealed that remission was allowed to lessees without recording any specific reason amounting to Rs.7.7 lakhs, in violation of the provision of the tender notice. Thus Sivasagar Zilla Parishad incurred loss of revenue of Rs. 7.7 lakhs due to remission of Kist money. #

02-03- Rs,7,10,284
04-05- Rs. 65,891
Total: Rs,7,76,175

3.5 Non-distribution of Hat/Ghats Share to the ZPs, APs and GPs

As per sub-section 6 of Section 105 of Assam Panchayat Act, 1994, out of total sale proceeds of hats/ghats in any Zilla Parishad/Anchalik Panchayat, 20% shall devolve to or be retained by the Zilla Parishad, 40% shall be equally distributed to all the GPs under the AP/ZP and the balance 40% should be retained by or devolve to the APs.

Test check of the records 11 (Eleven) PRI units revealed that PRI units violated the rule/provision in releasing the share to concerned units and depriving the recipients units of their due share and retained excess amount in the ZP and AP corpus.

2 (two) ZPs and 9(nine)APs retained Rs.1.06 crores and Rs.33.09 lakhs respectively in excess of their due share and deprived the concerned GPs of their share of Rs. 67.67 lakhs, APs of Rs.53. 04 lakhs and ZPs of Rs.18.46 lakhs. This holding back of funds caused revenue imbalances between ZPs, APs and GPs. (Annexure-I)

3.6 Loss of Revenue due to non-deduction and deposit of AGST

As per Section 27 of the Assam General Tax Act, 1993, all DDOs of Government departments and government undertakings are under obligation to deduct tax at source for supply of any taxable goods or for works contract. Further, Rule 35 of the Assam General Sales Tax Rules 1993 as amended provides that the tax so deducted should be deposited into designated Bank by appropriate challans within 10 days from the expiry of each calendar month.

Further, as per High Court verdict dated 26.03.2002 circulated vide Commissioner of Taxes, Government of Assam Notification No CTS-37/2000/98 dated 21.12.2002, Assam General Sales Tax (AGST) is to be deducted @ 4.4% on the taxable turnover as certified by the Superintendent of Taxes.

In violation of the above provisions, 19 Units did not deduct AGST from the contractors/suppliers bills against supplies of taxable materials, while making payment during the period 2002-06 resulting loss of revenue of Rs. 18.2 lakh. (Annexure -J)

CHAPTER-IV

IMPLEMENTATION OF SCHEMES

4.1 Sampoorna Gramin Rojgar Yojana (SGRY)

The Ministry of Rural Development, Govt. of India (GOI) launched SGRY from 25 September, 2001 to provide additional wage employment and food security to rural poor through creation of community, social and economy assets. The scheme envisages payment of wages in the form of cash as well as food grain. Cash component was to be borne by GOI and the State Govt in the ratio of 75:25 and the food grain was to be made available free of cost by GOI. Special safeguards for the weaker section and Woman of the Community shall be earmarked @ 22.5% of the annual allocation for both at the level of District and Intermediate Panchayats (First Stream) should be spent on SC/ST families living below the poverty line (BPL) for individual/group beneficiaries' scheme. The scheme also envisages that 15% of the annual allocation to the Gram Panchayats (inclusive of food grains) should be earmarked for the creation of need-based village infrastructure in SC/ST habitations/works under the second stream (Gaon Panchayat) of SGRY.

Test check of the Scheme records in 19 (nineteen) PRI units revealed irregularities as detailed in the subsequent paragraphs.

4.1.1 Excess expenditure incurred on Administration/Contingencies

The revised Scheme Guidelines 4.7 (w.e.f. 1 April 2004) provided that a maximum of 2% of the fund released during the year under the first stream could be spent by the ZPs & APs on contingency for strengthening, monitoring, and coordination.

Test checks revealed that the expenditure of Rs.74.86 lakh were made in excess ranging from 1.15% to 9.3% over the prescribed percentage (2%) as administrative contingencies for strengthening, monitoring, and coordination by 2(two) ZPs and 11(eleven) APs, which is violation of scheme guidelines. (Annexure-K)

4.1.2 Discrepancies in connection with lifting and utilization of food grains

As per scheme guidelines (Para 2.2) food grains should be given as part of wages to the workers @ 5 kg per mandays in addition to cash component. Generally, the DRDAs release the scheme fund (Cash + Food Grain) to the ZP & AP as per Action Plan with detailed estimates of each work submitted by the ZP/AP. As per scheme guidelines, the estimated fund (Cash + food grain) should be exhausted as soon as the works are completed.

Test check of various records viz. Muster Rolls etc revealed that food grains were not given as part of the wages to the labourers (paid in Cash only) and no reason was recorded in respect of 15 (Fifteen) APs though targeted works were completed and thus food-grains allotted against these works worth **Rs.12.6 crore** were still lying undisbursed.

(Annexure-L)

❖ In Dibrugarh Zilla Parishad food-grain valuing Rs 54,09,338/- was short received with respect to release by the DRDA, whereas in Gaurisagar AP lifted food grains valuing Rs 34,64,912/- in excess of the quantity as *compared to DRDA's statement* with the stock registers, challans etc available in Gaurisagar AP during the period from 2002 to 2006^o. The reason for excess lifting of food-grains was not available on record nor stated to audit.

❖ In 2 (two) PRI units, vouchers detailing disbursement of 81610.42 qtls food-grains involving **Rs.5.5 crore** were not made available for scrutiny.

Name of Unit	Quantity Released in quintals	Quantity lifted in quintals	Difference in quintals
Gaurisagar AP	24856.44	29438.00	4581.56
Dibrugarh ZP	75288.72	66915.21	8373.51

Sl No.	Name of Unit	Period	Quantities of food grains	Value of food-grain (Rupees)
1	Gaurisagar AP	2002-03 to 2005-06	39941.24 qtls	24752922/-
2	Demow AP	2002-03 to 2005-06	41669.18 qtls	30191762/-
Total			81610.42 qtls	54944684/-

4.1.3 Utilization of SGRY fund for creation of inappropriate assets.

As per Para 6.5.1, 6.5.2 of SGRY Scheme guidelines, the SGRY fund may be utilized for assets/infrastructure only in rural areas. It mainly includes creation of income generating rural infrastructure, construction of rural link roads, drainage, kitchen sheds for schools, market sheds, afforestation, minor irrigation, rejuvenation of drinking water sources and augmentation of ground water, traditional water harvesting structure, distillation of village tanks/ponds etc. and such other schemes which are necessary for watershed development.

Construction of buildings for religious purposes, construction of Higher Secondary Schools, Colleges, monuments memorials, statues, idols, bridges, black topping of roads etc are specifically prohibited under Para 6.7.1 of SGRY Scheme Guidelines.

Test check of records revealed that 1 (One) ZP & 14 (Fourteen) AP had utilized Rs 2.2 crore from SGRY Fund during 2002-03 to 2005-06 for constructing hospitals, temples, college hostels, bridges etc in violation of the SGRY Guidelines. Further, these schemes were also included in the Annual Action Plan duly approved. **(Annexure-M)**

4.1.4 Non-disposal of empty gunny bags – Resultant loss of revenue

As per Para 2.8 of the SGRY guidelines, gunny bags in which the food-grains are received for distribution under the programme are to be disposed of and the sale proceeds realized out

of sale of empty gunny bags should be utilized to meet the transportation and other handling charges of the food-grains. Thus, it is imperative that proper records of empty gunny bags are kept in an appropriate manner.

Test check of records for 19 (nineteen) PRI units revealed that despite specific provisions, details of empty gunny bags and sale proceeds thereof were never recorded, although huge quantity of rice contained in 1534106 nos of gunny bags had been issued during 2002-2006 and the transportation/handling charges were made from the SGRY fund. The non-accountal and the consequential, non-disposal of empty gunny bags resulted in expenditure of SGRY fund of Rs.77.4 lakh, which could have been offset by sale of empty gunny bags.

(Annexure-N)

4.1.5 Irregular adjustment of Food Grain in works

Wages under SGRY Scheme are paid partly in cash and partly by food-grains. The food grains distributed under the scheme are largely subsidized and intended to protect the real wages of the workers.

Test check of various records, such as vouchers, MR bills etc. relating to 1 (One) ZP and 3 (Three) APs for the period 2002-03 to 2004-05, revealed that food grain worth Rs.24.7 lakh had been adjusted towards payment of bills of materials like gravel, CGI Sheets, MS Rod etc. by depriving the workers from their real wages. This was clear violation of scheme guidelines and also caused undue benefit to the supplier as the price taken for adjustment of food grains was the subsidized rates applicable for labourers and far below the market rates for these food grains.

Reasons for deviation from original purpose of the scheme by the authority to protect the real wages of workers of poor families of rural areas were not available on record nor stated to audit. **(Annexure-O)**

4.1.6**Irregular Payment for Purchase of materials for Rs.10.62 lakh**

Dibrugarh Zilla Parishad purchased materials for Rs.10.62 lakhs during the period 2003-04 to 2005-06 under SGRY Scheme without observing required formalities as detailed below:

- Suppliers did not submit bills in the prescribed format.
- Scrutiny revealed that no bill number, supply/work order was mentioned in the bills as required under rule.
- Receipt of materials is required to be certified on the body of the bill specifying that materials are received in good conditions and found correct and taken into Stock Register. This was not found recorded on the bills.
- The name of work against which materials are issued is to be recorded together with MB record. But no such recording was seen on the vouchers.
- Payments made above Rs. 5,000/-, are to be stamped with revenue but APR without revenue stamps were noticed in the checked PRIs.
- All payments were made without the certificate of receipt of purchased materials on the body of the bills, entries in the Stock Register/M.B., utilization certificates of materials etc.

Thus, passing and payment of the bills by the D.D.O. without observing the prescribed requirements resulted in irregular expenditure of **Rs.10.62 lakhs**.

4.1.7**Unauthorized diversion of SGRY Fund.**

As per Para 2.7 of SGRY guidelines provides that the State Government/Union Territories will bear the transportation cost and other handling charges from their own resources. Any taxes/charges like sales tax, octroi etc will be born by the States/ Union Territories concerns. Cash components cannot be used for transportation, payment of local taxes etc.

Test check of Cash Book and other relevant records of the 3 (Three) PRI units for the period from 2002 to 2006 revealed that the units did not adhere to the guidelines/provisions and diverted Rs.39.14 lakh out of SGRY Scheme Fund (cash components) from Central Government share for meeting the expenses of transportation/handling of Food-grains and construction of building. Thus, there was an unauthorized diversion of SGRY fund amounting to Rs.39.14 lakh. (Annexure-P)

4.1.8 Non-submissions of Vouchers/APRs

Test check of Cash Book and Bank Pass Book revealed that 8 (eight) AP and 1(one) ZP incurred an expenditure of Rs.174.8 lakh during 2002-2006 on various schemes but no supporting documents viz. voucher/actual payee receipt could be produced to audit.

As per Rule 39 of the Assam Panchayat (Financial) Rules, 2002, related to Muster Roll, the payment of labourers shall be made and signature/ thumb impression of the payees should be obtained on the Muster Roll in presence of Anchalik Panchayat Members and the vouchers relating to the expenditure should be kept in order.

In action of the above units, thus lead to serious doubt about the genuineness of the expenditure. (Annexure-Q)

4.1.9 Payments of Godown Rent amounting to Rs. 1.98 lakh violation of SGRY guidelines

As per Para 2.7 of SGRY guidelines, the State Governments/ UTs will bear the transportation cost and other handling charges from their own resources.

Test check of the records of the Sibsagar AP for March 2005 to March 2006, revealed that, godown rent amounting to Rs.1.98 lakhs were paid for storing the Food-grains, CGI Sheets in violation of the provision of SGRY guidelines.

4.1.10 Irregular implementation of SGRY scheme – Amounting to Rs. 95,502/-

As per SGRY guidelines any work relating to PWD cannot be taken up without approval/no objection certificate of PW Department to rule out double payment on the same work.

Test check of records of Sivasagar AP revealed that the AP incurred expenditure during 2004-05 of Rs. 95,502/- for construction of PWD Roads without taking approval/no objection certificate from PWD, thus, violating the provisions of the guidelines for SGRY Schemes. Further audit could not vouchsafe the expenditure as no vouchers were made available.

4.1.11 Unauthorized withdrawal of SGRY funds

As per Para 5.13.2 of SGRY Guidelines and as per guidelines for payment under “Accounting procedure in brief” issued by the District Rural Development Agency, Sivasagar for implementations of the schemes under various programmes, withdrawals of funds for making payments towards the works undertaken by the implementing agency from the accounts of Intermediate Panchayat shall be drawn through a cheque in accordance with the procedure being followed by the State Government. As per Assam Financial Rules, no payments could be drawn from the Bank by Self-cheque except in certain conditions beyond the limit.

Test check of Amguri Development Block revealed that an amount of Rs.32.26 lakhs was drawn by presenting self-cheques in violation of Panchayat Rules as well as SGRY Guidelines during April 2002 to March 2006

4.2 Withholding of benefit under Centrally Sponsored Scheme

National Old Age Pension Scheme (NOAPS), National Family Benefit Scheme (NFBS) are 100 percent Centrally Sponsored Schemes under the National Social Assistance Programme (NSAP) launched by the Government of India since 15th August 1995, to be awarded to

eligible senior citizen (65 years and more) and to the female member of a poor family having 2 (two) children respectively.

The Deputy Commissioner of a district being the nodal officer for implementation of the scheme, releases the fund on receipt of the beneficiary lists from Zilla Prishad for distribution @ Rs. 75/-per month for NOAP and @ Rs.10, 000 in lump to beneficiary under NFBS to each citizen of the list as collected from Anchalik/Gaon Panchayat level. The distribution is being done at Panchayat level.

Cheques under the NOAP, NFBS etc schemes are generally received from the concerned DCs by the AP/ZPs. They distribute the cheques to the beneficiaries. Test check of the records of 1 (One) ZP and 2 (Two) APs revealed that cheques amounting to **Rs.15.85 lakhs** received during the period from April 2002 to January 2006 were lying in the Bank Account of AP/ZP without distribution though the list of the beneficiaries were available in the units. Further UCs required to be submitted to the DCs were not issued till December, 2006.

(Annexure-R)

4.3 Irregular payment of Rs. 32.34 lakh out of IAY

As per scheme guidelines of Indira Awas Yojana, no contractor, organisation or Government Department is authorized to construct the IAY houses. They can only co-ordinate for procurement of raw materials such as bricks, cement, and rods etc. only, if beneficiary desires.

Test check of Borobazar T.D. Block revealed that the Junior Engineer of the PWD Department (February 2003 to May 2006) had been paid an amount of **Rs.32.34 lakhs** in cash (payments were drawn from the Bank by presenting self cheques by the DDO and cash was paid) against beneficiaries of IAY-programme.

Further, required documents viz. list of beneficiaries, willingness letter of beneficiaries, authority letter of beneficiaries, or any resolution adopted by the A.P. were not available on record or produced to audit. Also, required Actual payee receipt, Utilization Certificate issued by the beneficiaries, or acknowledgement receipt of the beneficiaries is also wanting.

Audit could not vouchsafe the expenditure and payments made to J.E and thus, Rs 32.34 lakhs were irregular.

4.4 Irregular allotment of houses and payment to the Beneficiaries under IAY.

As per Para 6.31 of the IAY scheme guidelines, allotment of dwelling units should be in the name of female members of the beneficiary's household. Alternatively, it can be allotted in the name of both husband and wife and payment is to be made on installment basis depending on the progress of the work.

Test check of records of Borobazar T.D. Block for allotment of houses under IAY scheme during 2002-03 to 2005-06 of, revealed that the IAY guidelines were not followed and allotments of works for Rs 3.5 lakhs were made to male members , violating the scheme guidelines..

4.5 Unauthorized diversion of Fund awarded by 11th Finance Commission (EFC)

11th Finance Commission (EFC) provides assistance as grants-in-aid for implementation of Schemes by the Gaon Panchayat only. As per para 3 of the EFC guidelines, the Gaon Sabha will approve the Action Plan for utilization of the grant. Further, the GP can implement only the following schemes: -

- Self-drinking water scheme.
- Primary Health Care.
- Drinking water facilities.
- Construction/Repair at G.P office building.
- Construction/Repair at AP/ZP Bhawan.
- Purchase of office furniture for GP/AP/ZP office.
- Primary Education Schemes.

Para 4 of the same guidelines further provide that GP may execute the schemes departmentally or through the concerned line department and no purchase or execution is

allowed to carry out at the ZP/Block level. Also, as per Para 5, the grants being released should be strictly utilized as per guidelines and no diversion is allowed.

Test check of records of Dibrugarh Zilla Parishad relating to second installment of EFC grants, revealed that out of EFC fund of Rs. 95,70,944 allocated to the GPs under Dibrugarh District, an amount of Rs.14,35,642 was utilized by the ZP during 2002-03 to 2005-06 for the construction of Rural Training Centre at Dibrugarh Zilla Parishad in violation of guidelines.

URBAN LOCAL BODIES

CHAPTER-V

AN OVER VIEW OF THE URBAN LOCAL BODIES

The Assam Municipal Act, 1956 came into effect covering Assam after repeal of the Assam Municipal Act, 1923 with a view to decentralize the power under which all sections of people including the depressed classes/backward classes are given the opportunity to share power of the self governance and to provide better amenities to citizens and to make the cities/towns beautiful, clean and developed. The Assam Municipal Act, 1956 was amended twice by Amendment Act, 1994 and Amendment Act, 1997.

5.1 Organizational Set Up

Urban Local Bodies

The ULB in Assam comprises one Municipal Corporation, 29 Municipal Boards and 57 Town Committees. Guwahati Municipal Corporation, being the lone Municipal Corporation in Assam, established in 1971 under Guwahati Municipal Act 1969 and is vested with the Municipal Administration of the city of Guwahati.

The Municipal corporation/Municipality/Town Committee is a body corporate with perpetual succession having a Board of councilors. All the ULBs consist of elected members (councilors) from each ward, and ex-officio/nominated persons having special knowledge or experience in municipal administration. Such nominated persons do not have the right to vote in the meetings of the municipality/Town Committee/Municipal Corporation.

The Chairman/Commissioners, elected by the majority of the Board of Councilors, is the executive head of the ULB and presides over the meetings of the Chairman-in-Council/Commission-in-Council responsible for governance of the body. The executive power of a ULB is exercised by the council. The Chairman presides over the Board of

Councilors. The Chairman-in-Council/Commissioner-in-Council enjoys such power as is delegated by the Board

Under the administrative control of the Board of Councilors, the Urban Local Body creates its establishment structure headed by an executive Officer/Commissioner. Other officers are also appointed to discharge specific functions of respective area/nature. Subject to the supervision and control of the Chairman, the Executive officer/Commissioner functions as the principal executive of the Urban Local Body. The executive Officer/Commissioner and the Finance Officer exercise such powers and perform such functions as notified by the State Government from time to time.

5.2 Power & Function of Urban Local Bodies

The ULB exercise their powers and functions in accordance with the provisions of Section 60 (2) of Assam Municipal Act 1956 in order to function as an institution of self government and carry out the responsibilities conferred upon them.

Some of the important functions devolved to the ULBs are as follows: -

- (i) Constructions, maintenance and improvement of roads, bridges, squares gardens, tanks, ghats, walls, drains, latrine and urinals.
- (ii) Planting and reservation and felling of trees and bamboos.
- (iii) Supply of water and the lighting and watering of roads
- (iv) Establishment and maintenance of a municipal market or the taking of a market on lease.
- (v) Prevention of the spread of dangerous diseases.
- (vi) Establishment and maintenance of poor houses, hospitals and dispensaries.
- (vii) Establishment and maintenance of, or the granting of aid to public libraries and reading rooms, amateur theatrical institutions and music schools.
- (viii) Provision of burial and burning grounds and the burial or burning of paupers.
- (ix) Acquiring, keeping and equipping of open spaces for purposes of ventilation or for the promotion of physical exercise and recreation.
- (x) Holding of fair and industrial exhibitions.
- (xi) Establishment and maintenance of dairies.
- (xii) Preparation of compost manure.

5.3 Financial Profile

The Urban Local Body fund comprises receipts from their own resources, grants and assistance from government and loans obtained from any public financial institutions/nationalized banks or such other institutions as the State Government may approve. Property tax on land and buildings is the principal source of tax revenue of a ULB. The main sources of non-tax revenue of a ULB are plan sanction fees, mutation fees, and application fees. If ULBs incur losses, the State Government releases administrative grants to the ULB to compensate their revenue expenditure. For development activities, grants and assistance are obtained from the State Government and Central Government for implementation of specified schemes and projects. Loans raised from different sources with prior approval of the State Government are utilized for execution of various projects/schemes.

All collections as permissible under the statute in force, such as property tax, surcharge, tax on advertisement, application fees for trade and professions, license fees, plan sanction fees, mutation fees, rent, tools and other fees and charges.

Budgets are prepared by the ULBs and sent for approval to the Director of Municipal Administration, Assam, Guwahati. Test check however revealed that Budgets were not properly made/not prepared at all.

The total demand raised by ULBs as on 31-3-06 was Rs. 1,71,93,330/- out of which an amount of Rs. 46,02,713/- was collected and the outstanding dues were Rs. 1,25,90,617/-.

5.4 Audit Arrangement

In keeping with the recommendation of the Eleventh Finance Commission the State Government has entrusted the audit of PRIs & ULB's to the C & AG of India under Section 20 (1) of C & AG's (DPC) Act.1971 vide their letter No. F.M. 23/2000/68 dated 18.5.2002.

5.5 Audit Coverage

Audit of accounts of 4 (four) ULBs covering the accounts upto 31.3.05 have been conducted during July 2005 to January 2006.

5.6 Response to Audit Observations

The CAG conducted the audit of ULBs under 20(1) of CAG's (DPC) Act, 1971. Objections raised in audit were communicated to the respective ULBs in the form of Local Audit Reports (LARs) with copy to the Government. No replies to the objections which were to be furnished within 90 days of receipt of LARs were received. Thus 4 LARs and 52 paras for Rs 3.42 crore were pending to be settled as on 31 December 2006 for want of satisfactory replies from PRIs concerned.

There was no proposal even for constituting Audit Committees at appropriate levels to discuss and settle the objections on the spot.

Important findings of audit are described in succeeding chapters.

ACCOUNTING PROCEDURES AND FINANCIAL MANAGEMENT

5.7 Annual Accounts

Each ULB is required to prepare annually a Balance Sheet of assets and liabilities in the prescribed form, which is to be placed before the competent authorities.

Test check of 4 (four) ULBs revealed that none of the ULBs had prepared annual financial statement for the periods from 1.4.2000 to 31.3.2005. This indicates poor financial management and complete lack of monitoring in the ULBs.

5.8 Report on Management and Working and Periodical Audit

The responsibility for proper management and working in ULBs vests entirely with the State Government and District Administration i.e. the Deputy Commissioner. During the period covered by audit, (1.4.2000 to 31.3 2005) it was observed that neither a single audit was conducted by State Government (Director of Local Fund Audit) nor inspected by the Deputy Commissioner.

5.9 Non-Adjustment of Advances

Test check of records of 4 ULB units revealed that advances totaling Rs.3.18 lakhs (Kokrajhar MB Rs. 36,600/- from October 2003, Chabua TC - Rs. 1,59,804/- from May 2001, Moran TC - Rs. 72,500/- from July 2000 and Doomdooma TC-Rs. 49,400/- from February 2000) granted to Staff and contractors for various purposes during the period from 1.4.2000 to 31.3.2005 are yet to be adjusted. The practice of non-adjustment of advances for several years has encouraged the undesirable practice of blocking of institutional funds for indefinite period and providing undue benefits.

5.10 Tax Collected but not reflected in Cash Book and Bank Pass Book

Test check records of 3 ULB units revealed that **Rs 12.85 lakh** collected/received as various taxes, fees etc. as per Receipt Books was neither reflected in the Cash Book nor in the Bank Pass Book. Thus the entire amount remained unaccounted and embezzlement/misappropriation cannot be ruled out.

Sl. No.	Name of Unit	Periods	Amount (in Rupees)
1	Moran TC	2000-01 to 2004-05	8,49,803
2	Doomdooma TC	2001-02 to 2004-05	1,25,340
3	Chabua	2001-02 to 2003-04	3,10,000
			12,85,143

5.11 Outstanding Government Loans and Interest

The Doomdooma Town Committee failed to repay various loans amounting to Rs. 8,47,178/- (Principal) received long back (8 to 24 years) for which an amount of Rs. 38,01,148/- was interest accrued on 31st March 2005. This non-repayment has steadily increased the liabilities of the Town Committee. **(Annexure-S)**

5.12 Non-remittance of C.P.F.

Contributory Provident Fund subscription collected by deductions from employee's salary and equal amount of employer's share is to be credited to the fund account. Test check of the records of Doomdooma TC revealed that although Rs.6.5 lakhs being C.P.F. subscription was deducted from employee's salary during April 2002 to March 2005, the employer's share along with the employee's subscription yet to be deposited into individual accounts. This deprived the employees of their CPF benefits to the tune of Rs 13.00 lakhs* plus interest, which is yet to be worked out.

*Employees share = Rs. 6,49,877/-
Employers share = Rs. 6,49,877/-

5.13 Non-remittance of Professional Tax.

Professional Tax is to be deducted from the monthly salary of the employees by the DDOs at rates prescribed by the State Government from time to time and should be deposited to the proper Head of Accounts of the State Govt. Test check of 2 ULB units revealed that the units failed to realize and deposit the Professional Tax amounting to Rs1.32 lakhs as on 31st March 2005 from the concerned employees. ^Δ

5.14 Diversion of Fund/Grant

Funds amounting to **Rs.28.6 lakh** sanctioned under various schemes were diverted by 4 ULBs for other purposes without proper authorization. Such diversion of funds not only defeated the objectives for which the funds were sanctioned but also deprived the beneficiaries from intended benefits. (Annexure-T)

5.15 Suspected mis-appropriation of Government Grants under NSDP and EIS Scheme

Grants of Rs.3.00 lakhs for National Slum Development Programme and Rs 1.00 lakhs for Environmental Improvement of Urban Slum Scheme were released to Moran TC with the condition to deposit the joint account of Chairman/Executive Officer of CTC with District Officer, Town and Country Planning against A/C No. 5891/UBI and A/C No. C 81/C-33120/SBI, Moran Branch respectively for implementation. The grants were neither deposited into the above-mentioned accounts nor entered into the Cash Book, which leads to suspected mis-appropriation.

^Δ

Sl No.	Name of Unit	Amount (in rupees)	
1	Kokrajhar MB	From 4/2000 to 3/2005	121820
2	Chabua TC	From 4/2004 to 3/2005	10400
Total			132220

Grant	Sanction letter and authority	Bank draft No. and date **	Amount of Draft (In Rs.)	Bank A/C No.
N.S.D.P	No. TP/NSDP/14/2002/30 dt. 4-6-2002	200506 dt. 31-3-2002	1,50,000	To be deposited in A/C 5891/UBI but not deposited.
-do-	TP/NSDP/14/2002/31 dt. 30-1-2003	200507 dt. 31-3-2002	1,50,000	-do-
E.I.U.S	TP/FIS/5/2000/15 dt. 25-6-2001	338641 dt. 4-4-01	1,00,000	A/C C 81/C-33120 SBI but not deposited.
Total			4,00,000	

**Forwarding letters of draft did not reveals whether Bank drafts were A/c Payee

5.16 System deficiencies

(A) Some of the common and persistent deficiencies notice in the maintenance of Cash Book in the ULBs

- (i) Cash Book was not maintained in all the ULBs in the prescribed format, instead only a receipt and payment statement was being prepared.
- (ii) Transactions were recorded in the Cash Book without indicating the date of transaction.
- (iii) Pages of Cash Book were left blank without any reason and also were not struck out leading to entries being inserted at later dates.
- (iv) Narration for a number of transactions was not mentioned in the Cash Book.
- (v) Voucher number and Head of Accounts were not indicated against numerous transactions.
- (vi) Vouchers were not numbered serially and there were cases of missing sequences.
- (vii) Cash Book was not authenticated by the competent authority.
- (viii) Cash Book was not being closed on a daily basis.
- (ix) Correction and alteration in Cash Book were made without any authentication by the competent authority.
- (x) All receipts were not recorded in the Cash Book.
- (xi) Cashier's cash Book was not maintained.

(B) Non-maintenance of basic records

The prescribed basic records viz. Stock Register, Demand Register, Collection Register, Works Register, Contractor's Ledger, Advance Register, Final Payment Register, Tools & Plant Register, Unpaid Bill Register, Bank Scroll and Challan Files, Contingent Register, Register/Records relating engagement of Master Roll Workers, Purchase and Supply Orders Files, Files/Records of flood damage repair works, Files/records regarding utilization of MLA Local Area Development fund, Files/Records regarding schemes undertaken for the benefit of SC/ST women and Children/Backward Classes etc. were not maintained in most of the ULBs.

Further, there were instances of deficiencies in the maintenance of Stock Register. Entries were not recorded in the prescribed columns for receipts and issues of materials in several instances, daily balances were not worked out, entries were not attested and balances were not physically verified by the competent authority in majority cases.

Annual physical verification as prescribed in the GFRs was not carried out in any ULBs.

CHAPTER-VI

REVENUE RECEIPTS

6.1 Outstanding Municipal Tax

Test checks of records of 4 ULB revealed huge arrears in collection of Municipal taxes viz. house tax, light-tax, water-tax, and property tax, Latrine-tax etc. The arrears accumulated to Rs.1.5 crores during April 2000 to March 2005 for these 4 ULBs.

Sl. No.	Name of Unit	Amount (Rs. In lakhs)
1	Kokrajhar MB	44.33
2	Moran TC	11.4
3	Chabua TC	33.22
4	Doomdooma TC	61.15
Total		150.01

The ULBs did not take steps such as issue of demand notice, impose penalty at the rate of three and one-eighth percent of the demand from the sixteenth day from issue of notice or initiate process for attachment and sale of any moveable property belonging to the defaulter. Inaction by the ULBs resulted in outstanding dues of Rs. 1.5 crores unrealized for periods ranging from 2 to 7 years.

6.2 Outstanding Kist Money

Local markets are leased out to private parties every year by inviting open tenders. The highest bidder is awarded the lease on the condition that the bidder must deposit their kist money in three equal installments. However, ULBs failed to enforce this and kist money remained unrealized for years.

Test check of records for 4 ULB units revealed that Rs. 9.5 lakhs remained outstanding till the end of 2004-05 due from the concerned lessess / mahalder.

Further, the concerned ULBs made no efforts to realize these outstanding amounts and awarded contracts to the bidders in succeeding years even though they had not deposited the Kist amounts for previous years. ^φ

6.3 Irregularities in Allotment of Markets, Cycle Stand, etc.

The Town committees allot markets, cycle and rickshaw stands and bus stands within its jurisdiction by inviting open tenders on an annual basis. Test check of records for 4 ULB units revealed irregularities in the bidding and awarding process resulting in revenue loss to the Town Committee as detailed below:

- Doomdooma TC settled Bus and Taxi Stand lease for 2004-05 to lowest bidder at Rs.1, 20,825/- instead of the highest bid of Rs.1, 68,265/- resulting in loss of revenue of Rs.47, 450/- No reasons for rejecting the highest bids were available on record nor stated to audit.
- Moran TC leased Parking of Night Super Bus Stand for Rs. 65,875/- being the highest bidder and asked the bidder to deposit 70% of bid money amounting to Rs. 43,395/- vide

^φ

Sl. No	Name of Unit	Amount (In rupees)
1	Kokrajhar MB	219000
2	Moran TC	165351
3	Chabua TC	11500
4	Doomdooma TC	558219
Total		954070

No. MTC 4(10)/05/17 dt. 04-03-05. Subsequently another bid was accepted, without assigning any reason for cancellation of the earlier bid, at a lower value Rs. 30,000/- and asked to deposit Rs. 15,000/- being 50% of bid amount vide No. 4 (10)/99/P-II/20 dt. 27-4-2005 for 01-05-05 to 31.03.06. Thus the arbitrary award of contract resulted in loss of Rs. 35,875/-.

➤ Weekly market under Chabua Town Committee was allotted during 2004-05 at Rs. 1,75,771/- even though the highest quoted bid was Rs. 2,30,101/-. The arbitrary award of contract without assigning any reasons for rejecting the highest bid resulted in loss of Rs. 54,330/-.

➤ Scrutiny of records of Chabua TC revealed that no tenders were called for in 2005-06 but markets were allotted on extension of term by enhancing 1% on previous rate and fixed at Rs. 1,12,211/-. Records however revealed that previous lease amount of weekly market was Rs. 1,75,771/- for 2004-05 and considering the enhancement of 1% on the above rate, the lease amount for the year 2005-06 should have been Rs. 1,77,529/- instead of Rs. 1,12,211/- thereby resulting loss of revenue (Rs. 1,77,529/- - Rs. 1,12,211/-) of Rs. 65,318/- to the town committee's fund.

6.4 Loss of Revenue due to non-realisation of Trade license Fee

As per section 223 of Assam Municipal Act-1956, no land shall be used as a market without a trade licensee to be granted by a Board for one year and thereafter to be renewal annually. Scrutiny of records of Doomdooma TC revealed that TC failed to realize Trade license fee amounting to Rs. 25,305/- till March 2005 from stalls and shops of the Market Complex in violation of these provisions. Further, no action was taken by the TC for realization of outstanding license fees. Inaction to realize of these dues reduced the earnings of the ULB thus widening the resource gap available for development.

6.5 Loss of Revenue due to non-deduction of AGST

As per Section 27 of the Assam General Tax Act, 1993 all DDOs of Government departments and government undertakings are under obligation to deduct tax at source for supply of any

taxable goods or for undertaking works contract. Further, Rule 35 of the Assam General Sales Tax Rules 1993 as amended provides that the tax so deducted should be deposited into designated Bank by appropriate challans within 10 days from the expiry of each calendar month.

Further, as per High Court verdict dated 26.03.2002 circulated vide Commissioner of Taxes, Government of Assam Notification No. CTS-37/2000/98 dated 21.12.2002, Assam Government Sales Tax (AGST) is to be deducted @ 4.4% on the taxable turnover as certified by the Superintendent of Taxes.

Test check of records of 4 ULBs units revealed that Government suffered loss of Revenue of Rs.0.77 lakhs due to non-deduction of AGST from the Contractors/Suppliers bills, while making final payment by the 4 ULBs during 2000-2005.

Sl. No	Name of Unit	No of vouchers	Period	AGST (In Rs)
1	Kokrajhar MB	16	9/00 to 5/04	12,767
2	Moran TC	16	9/03 to 2/05	18,746
3	Chabua TC	17	8/03 to 1/05	14,986
4	Doomdooma TC	22	6/04 to 2/05	30,573
Total				77,072

Reasons for non-deduction and subsequent non-deposit of AGST from the Contractors/Suppliers bills were not available on record.

6.6 Loss of Revenue due to Non-deduction of Income Tax

Income Tax @ 15% is to be deducted from bills of contractors/suppliers relating to forest products sand, boulders, stone, chips, stone dust, etc.) And @2% on general bills plus ½% surcharge are to be deducted from bills of contractors/suppliers and deposited to the Government account within 10 days from the expiry of each calendar month.

Test check of records of 4 ULBs units revealed that Government suffered loss of Revenue of Rs 1.2 Lakhs as the ULBs failed to deduct/deposit income tax from the Contractors/Suppliers final payment bills during 2000-2005. (Annexure-U)

6.7 Outstanding of Room Rent of Market

Scrutiny of records of Kokrajhar Municipal Board revealed that arrears as well as current demand of rent from businessmen/traders who were allotted market rooms by auction or open bid amounted to Rs.2.58 lakhs for October 2001 to December 2005 have not been realized till January, 2006.

6.8 Loss of revenue due to undue financial assistance to Lessee

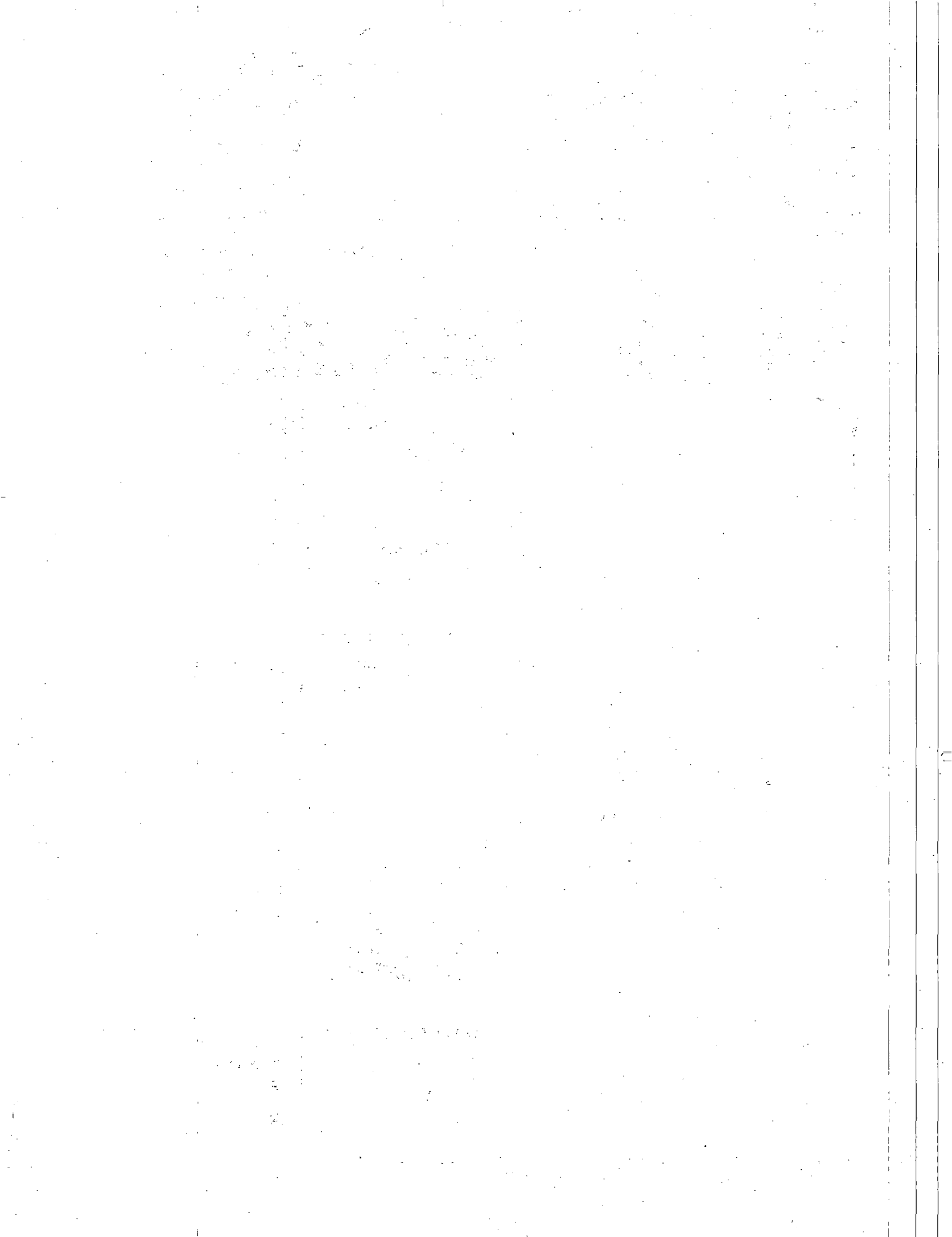
Kokrajhar Municipal Board authority had allotted rooms (shops) to the tenants on monthly rent of Rs.209/- & Rs. 299/- for different sizes of shops. Test check of records revealed that the MB authority had collected @ Rs.119/- and @ Rs.209/-per room per month instead of the prescribed rent of Rs.209/- & Rs. 299/-per room each month. Thus benefit of @ Rs.90/- per room per month was allowed from September 2002 to December 2005 to the tenants without assigning any reason causing loss of revenue to the Municipal Board.

Sl. No.	No. of Rooms	Period	Rate per Month	Total no of month	Amount Collected by lessee (In Rs.)
1.	24 nos.	1-10-01 to 31-12-05	@ Rs. 90/-	51	1,10,160
2.	24 nos.	1-9-02 to 31-12-05	-do-	40	86,400
Total					1,96,560

Details of any action taken to recover/recoup the loss were not available on record.



(SWORD VASHUM)
PRINCIPAL ACCOUNTANT GENERAL (AUDIT)
ASSAM



Annexure-'A'

Loss of revenue due to non-deduction and non-remittance of Income tax

Sl No	Name of the Units	No. of items	Period	Amount of Income Tax (In Rupees)
1	Tapattary AP	72	4/03 to 8/04	102598
2	Sonari AP	30	2/05 to 8/06	22858
3	Nazira AP	06	6/02 to 4/03	3715
4	Dangtal AP	252	3/04 to 2/06	174297
5	Borobazar AP	21	2/03 to 5/04	61696
6	Lahoal AP	63	4/02 to 3/05	59184
7	Amguri AP	144	3/03 to 4/05	30312
8	Paschim Abhoipur AP	48	7/02 to 3/06	37215
9	Joypur AP	28	12/03 to 3/05	14732
10	Panitola AP	15	4/02 to 3/06	53016
11	Sidli AP	59	1/03 to 8/05	76887
12	Dibrugarh ZP	41	4/02 to 3/05	49449
Total				685959

Annexure-'B'

Unnecessary retention of Cash amounting to Rs.2, 77,686/-

Sl No.	Name of Unit	Period	Period kept in Hand	Amount (In rupees)
1	Sonari AP	2/02-6/02	4 years	38,198/-
2	Manikpur AP	9/03-5/06	3 Years	2,39,488/-
Total				2,77,686/-

Annexure-'C'

Tax Collected not reflected in Cash Book and Bank Pass Book

Sl No	Name of Unit	Period of collection	Amount (In Rupees)
1	Borobazar AP	4/01 to 7/04	1,86,928
2	Sivasagar AP	4/02 to 3/06	12,180
3	Sivasagar ZP	4/02 to 3/06	95,470
4	Sidli AP	8/03	67,195
5	Manikpur AP	11/03	8,919
6	Gaurisagar AP	10/03 to 2/06	70,899
Total			4,41,591

Annexure-'D'

Non-adjustment of Advances

Sl No	Name of Unit	Payment to	Period	Amount Rs.				Total in Rs.
				S.A	Rem	T.A.	Misc.	
1	Sibsagar AP	President	4/02 to 1/06	1600				1600
		V.P.	-Do-	1760				1760
		V.P.	-Do-		3000			3000
		V.P.	-Do-			500		500
2	Demow AP	President	4/03 to 3/06	1400		5600		7000
		V.P.	-Do-	1440				1440
		V.P.	8/03 to 5/06			7583		7583
		L.D.A.	10/02 to 9/04	860				860
		E.O. (P)	Do-	860				860
		4 employees	9/01 to 8/05				23,500	23500
3	Nazira AP	7 employees	9/03 to 8/04			37,500		37500
			Total	7920	3000	51183	23500	85603

Annexure 'E'

Non-recoupment of fund in connection with the lifting of Mid Day Meal

Sl No.	Name of Unit	Amount (In rupees)
1	Tapattary AP	80340
2	Sonari AP	121820
3	Nazira AP	334420
4	Borobazar AP	184501
5	Srijangram AP	336569
6	Amguri AP	60449
7	Demow AP	340000
8	Paschim Abhoipur AP	124539
	Total	1582638

Annexure-‘F’

Loss of Revenue of Rs.3633949/- on account of Registration Fees and Stamp Duties

Sl No	Name of Unit	Period	Registration Fee (In Rupees)	Stamp Duty (In Rupees)	Total Amount (In Rupees)
1	Tapattary AP	02-03 to 05-06	222688	126155	348843
2	Sonari AP	02-03 to 05-06	24475	24442	48917
3	Nazira AP	02-03 to 05-06	64564	54208	118772
4	Sivsagar AP	02-03 to 05-06	72924	54643	127567
5	Gaurisagar AP	02-03 to 05-06	101642	72634	174276
6	Demow AP	02-03 to 05-06	18131	13726	31857
7	Tingkhong AP	02-03 to 05-06	40848	31576	72424
8	Dangtol AP	02-03 to 05-06	15320	16225	31545
9	Manikpur AP	02-03 to 05-06	250886	136260	387146
10	Borobazar AP	02-03 to 05-06	31602	31102	62704
11	Srijangram AP	02-03 to 05-06	113952	71120	185072
12	Sivsagar ZP	02-03 to 05-06	870337	397754	1268091
13	Lahoal AP	02-03 to 05-06	49166	40562	89728
14	Amguri AP	02-03 to 05-06	20482	12311	32793
15	Paschim Abhoipur AP	02-03 to 05-06	86880	73297	160177
16	Joypur AP	02-03 to 05-06	75202	65699	140901
17	Panitola AP	02-03 to 05-06	9969	8188	18157
18	Sidli AP	02-03 to 05-06	8329	10269	18598
19	Dibrugarh ZP	02-03 to 05-06	221709	94672	316381
		Total	2299106	1334843	3633949

Annexure 'G'

Outstanding Kist Money not realized

Sl No.	Name of Unit	Period	No of Hat/Ghats & defaulter lessee	Total Demand (In Rs)	Total Collection (In Rs)	Total outstanding (In Rs)
1	Tapattary AP	02-03 to 05-06	92	3829116	2050684	1778432
2	Sonari AP	02-03 to 05-06	39	814734	470585	344149
3	Nazira AP	02-03 to 05-06	41	1316936	902690	414246
4	Gaurisagar AP	02-03 to 05-06	23	1304604	1010175	294429
5	Tingkhong AP	02-03 & 05-06	18	553724	262600	291124
6	Dangtol AP	02-03 to 05-06	31	548082	326335	221747
7	Manikpur AP	02-03 to 05-06	81	5463057	3494741	1968316
8	Srijangram AP	02-03 to 05-06	17	2390616	1621101	769515
9	Sivsagar ZP	02-03 to 05-06	11	2795665	1950116	845549
10	Lahoal AP	02-03 to 04-05	10	326711	233910	92801
11	Paschim Abhoipur AP	02-03 to 05-06	36	2443232	2046508	396724
12	Sidli AP	03-04 & 04-05	10	34427	5800	28627
13	Dibrugarh ZP	03-04 to 05-06	8	2516343	974250	1542093
		Total	417	24337247	15349495	8987752

Annexure-'H'

Loss of Revenue due to the non-settlement of Markets to the highest bidder

Sl. No.	Name of Unit	Period	Amount (In Rupees)	No of cases
1	Tapattary AP	02-03 to 05-06	3177199	10
2	Sonari AP	02-03 to 05-06	361779	51
3	Nazira AP	02-03 to 05-06	179442	25
4	Sivsagar AP	02-03, 04-05 to 05-06	631561	17
5	Gaurisagar AP	02-03, 04-05 to 05-06	146406	18
6	Demow AP	02-03 to 05-06	206596	31
7	Tingkhong AP	02-03 to 05-06	945840	76
8	Joypur AP	02-03 to 05-06	1415262	77
9	Sivsagar ZP	02-03 to 05-06	2809978	30
10	Dibrugarh ZP	03-04 & 05-06	1405403	5
			Total	340

Annexure 'I'

Non-distribution of Hat/Ghats Share to the ZPs, APs and GPs
during the period from 2002-03 to 2005-06

(In Rupees)

Sl No	Name of Unit	Total Collection (In Rs)	ZP's Share (In Rs)	AP's share (In Rs)	GP share (In Rs)	Shares due to ZP/AP/GPs (In Rs)	Released to ZP/AP/GPs (In Rs)	Outstanding Amount (In Rs)
1	Tapattary AP	2050684	410136	820293	820293	1230429	597400	633029
2	Sonari AP	470585	94116	188233	188233	282349	81976	200373
3	Nazira AP	1392646	278529	557058	557058	835587	398200	437387
4	Gaurisagar AP	2215605	443121	886242	886242	1329363	657900	671463
5	Tingkhong AP	1213319	242664	485328	485328	727992	462000	265992
6	Manikpur AP	2522646	504529	1009058	1009058	1513587	1097008	416579
7	Borobazar AP	420996	84199	168398	168398	252597	143219	109378
8	Srijongram AP	1621101	324220	648441	648441	972661	629600	343061
9	Sivsagar ZP	13965064	2793012	5586027	5586027	11172052	1765625	9406427
10	Joypur AP	2190218	438043	876088	876088	1314131	1082000	232131
11	Dibrugarh ZP	1503700	300740	601480	601480	1202960	Nil	1202960
	Total	29566564	5913309	11826646	11826646	20833708	6914928	13918780

Note: 1) ZP released the shares in favour of APs & GPs (retaining his own share)
2) AP released the shares in favour of ZPs & GPs (retaining his own share)

Annexure-‘J’

Loss of Revenue due to non-deduction and deposit of AGST

Sl No	Name of the Units	No. of items	Perood	Amount of AGST (In Rupees)
1	Tapattary AP	72	4/03 to 8/04	205195
2	Sonari AP	30	2/05 to 3/06	45716
3	Nazira AP	06	6/02 to 4/03	7431
4	Sivasagar AP	10	11/05 to 3/06	12078
5	Gaurisagar AP	33	3/03 to 12/04	24900
6	Demow AP	31	3/04 to 10/05	44923
7	Tingkhong AP	67	7/02 to 2/06	173562
8	Dangtal AP	252	3/04 to 2/06	348589
9	Manikpur AP	24	4/02 to 3/06	8149
10	Borobazar AP	21	2/03 to 5/04	123392
11	Srijangram AP	27	3/03 to 3/05	63566
12	Sivasagar ZP	69		104982
13	Lahoal AP	63	4/02 to 3/05	118367
14	Amguri AP	144	3/03 to 4/05	60624
15	Paschim Abhoipur AP	48	7/02 to 3/06	85231
16	Joypur AP	28	12/03 to 3/05	32410
17	Panitola AP	15	4/02 to 3/06	106028
18	Sidli AP	59	1/03 to 3/05	153773
19	Dibrugarh ZP	41	4/02 to 3/05	98899
Total				1817815

Annexure-‘K’

Excess expenditure incurred on Administration/Contingencies

Sl No	Name of Unit	Total Fund received (on which 2% Contn. admissible) during 04-05 to 05-06 (In Rs)	Total Contingencies utilized during 02-03 to 05-06 (In Rs)	2% contn admissible (In Rs)	Excess contn utilized over permissible Rate (In Rs)	% of excess contingent expenditure
1	Tapattary AP	15670613	492897	313412	179485	57.27
2	Nazira AP	8571710	568618	171434	397184	231.68
3	Tingkhong AP	8257500	414883	165150	249733	151.22
4	Dangtol AP	16318148	1689592	326363	1363229	417.70
5	Manikpur AP	22191299	1004440	443825	560615	126.31
6	Borobazar AP	80192377	3011423	1603848	1407575	87.76
7	Srijangram AP	8863421	957674	177268	780406	440.24
8	Sivsagar ZP	18689000	743964	373780	370184	99.04
9	Lahoal AP	5837000	208291	116740	91551	78.42
10	Amguri AP	4268695	482301	85374	396927	464.93
11	Joypur AP	12714800	959678	254296	705382	277.39
12	Panitola AP	8185500	333514	163710	169804	103.72
13	Dibrugarh ZP	70160000	2217026	1403200	813826	58.00
	Total	279920063	13084299	5598400	7485901	

Annexure-'L'

Discrepancies in connection with lifting and utilization of food grains

Sl No.	Name of Unit	Period	Amount (In Rupees)
1	Tapattary AP	2002-03 to 2005-06	15378522
2	Sonari AP	2002-03 to 2005-06	4545734
3	Nazira AP	2002-03 to 2005-06	2360690
4	Tingkhong AP	2002-03 to 2005-06	2225476
5	Dangtol AP	2002-03 to 2005-06	5134152
6	Manikpur AP	2002-03 to 2005-06	7440680
7	Borobazar AP	2002-03 to 2005-06	29220200
8	Srijangram AP	2002-03 to 2005-06	4104568
9	Lahoal AP	2002-03 to 2005-06	13943186
10	Amguri AP	2002-03 to 2005-06	4340914
11	Paschim Abhoipur AP	2002-03 to 2005-06	1155408
12	Joypur AP	2002-03 to 2005-06	5449484
13	Panitola AP	2002-03 to 2005-06	1804060
14	Sivasagar ZP	2003-04 to 2005-06	19666512
15	Sidli AP	2003-04 to 2005-06	8544584
		Total	125314170

Annexure-‘M’

Utilization of SGRY fund for creation of inappropriate assets

Sl No.	Name of Unit	Amount (In Rupees)
1	Tapattary AP	1730000
2	Sonari AP	300400
3	Nazira AP	470000
4	Sivsagar AP	485000
5	Gaurisagar AP	972603
6	Demow AP	927000
7	Tingkhong AP	623944
8	Dangtol AP	1598000
9	Manikpur AP	1114000
10	Borobazar AP	6354000
11	Srijangram AP	2425000
12	Sivsagar ZP	2810000
13	Lahoal AP	277000
14	Amguri AP	660249
15	Dibrugarh ZP	1311000
	Total	22058196

Annexure-‘N’

Non-disposal of empty gunny bags – Resultant loss of revenue

SI No.	Name of Unit	Period	Amount (In Rupees)	Total Nos of Empty Gunny Bags
1	Tapattary AP	2002-03 to 2005-06	910880	182176
2	Sonari AP	2002-03 to 2005-06	241030	48206
3	Nazira AP	2002-03 to 2005-06	126155	25231
4	Sivsagar AP	2002-03 to 2005-06	434802	72467
5	Gaurisagar AP	2002-03 to 2005-06	297000	59400
6	Demow AP	2002-03 to 2005-06	423000	84600
7	Tingkhong AP	2002-03 to 2005-06	172445	34489
8	Dangtol AP	2002-03 to 2005-06	979840	195968
9	Manikpur AP	2002-03 to 2005-06	893720	178744
10	Borobazar AP	2002-03 to 2005-06	160280	32056
11	Srijangram AP	2002-03 to 2005-06	283180	56636
12	Sivsagar ZP	2002-03 to 2005-06	442735	88547
13	Lahoal AP	2002-03 to 2005-06	299285	59857
14	Amguri AP	2002-03 to 2005-06	46675	9335
15	Paschim Abhoipur AP	2002-03 to 2005-06	92410	18482
16	Joypur AP	2002-03 to 2005-06	450150	90030
17	Panitola AP	2002-03 to 2005-06	305315	61063
18	Sidli AP	2002-03 to 2005-06	445265	89053
19	Dibrugarh ZP	2002-03 to 2005-06	738830	147766
Total			7742997	1534106

Annexure-'O'

Irregular adjustment of Food Grain in works

Sl No.	Name of Unit	Period	Particulars	Amount (In rupees)
1	Tapattary AP	6/03 to 1/04	Bricks, Sand, Rod, Cementetc.	193056
2	Manikpur AP	5/04 to 12/04	Bricks, Sand, Rod, Cement etc.	810000
3	Srijangram AP	3/04	Bricks, Sand, Rod, Cement etc.	147154
4	Dibrugarh ZP	4/02 to 3/05	Bricks, Sand, Rod, Cement etc.	1321238
Total				2471448

Annexure-'P'

Unauthorized diversion of SGRY Fund

Sl No.	Year	Name of Unit	Particulars of diversion	Amount (In rupees)
1	02-03 to 05-06	Dibrugarh ZP	Transportation/Handl ing of Foodgrains	1610347
2	Do	Do	Constn. of Rural Training Centre	1876303
3	Do	Demow AP	Constn. of Block Office	428157
Total				39,14,807

Annexure-'Q'

Non-submission of Vouchers/Actual Payee Receipt against Government Funds

Sl. No.	Name of Unit	Funds to which relate	Particulars	Period	Amount (In rupees)
1	Nazira AP	IAY	Expd. Shown in Cashbook, Vrs. APR	9/02 to 2/04	649631
		SGRY	wanting Do	3/05	139572
2	Dangtal AP	SGRY	Do	2/03 & 3/03	184100
		Do	Do	12/04 &	591161
		Do	Payment without Passed by DDO	1/05 12/04	51646
3	Borobazar AP	SGRY	Expd. Shown in Cashbook, Vrs., APR	1/06 & 2/06	319894
		EFC (Ist Instt.recd)	wanting Remain unaccounted up to 6/06	8.4.05	360000
4	Sivasagar AP	SGRY (Contn of Cooking Shed)	Expd. Shown in Cashbook Vrs. not produced	2/05 to 9/05	1040363
5	Amguri AP	IAY	Expd. Shown in Cashbook, Vrs., APR	11/02 to 3/06	7629872
		PMGY	wanting Do	3/04 to 7/05	554450
6	Paschim Abhoypur AP	SGRY	Do	9/05 to 3/06	1446917
		PMGY	Do	6/04	270000
		IAY	Do	3/04 to 3/06	855700
7	Sidli AP	EFC (Ist Instt.)	Distributed to GP without APR	7/04	216000
8	Dibrugarh ZP	SGRY	Expd. Shown in Cashbook, Vrs., APR	4/03 to 3/06	164418
9	Sonari AP	SGRY	Expd. Shown in Cashbook, Vrs., APR	2/03 to 3/06	1934044
		PMGY	wanting Do	2/04 to 10/05	1074409
				Total	17482177

Annexure-‘R’
Withholding of benefit under Centrally Sponsored Scheme

Sl No.	Name of Unit	Period	Name of the Scheme	Amount (In Rupees)
1	Lahoal AP	1/06	NFBS	20000
		10/05 to 1/06	NOAP	134595
2	Tingkhong AP	11/04 to 9/05	NFBS	70000
3	Dibrugarh ZP	4/02 to 3/05	NOAP	1360500
Total				1585095

Annexure-‘S’

Outstanding Government Loans and Interest

Sl No.	Name of Loan	Date of receipt of loan	Principal Amount of loan (In Rs.)	Repayment made (In Rs.)	Outstanding loan (In Rs.)	Interest as on 31.3.05 (In Rs.)	Total Amount (5+6) (In Rs.)
(i)	HUDCO/SBI	7.1.82	5,37,000	3,34,100	2,02,900	24,19,000	26,21,900
(ii)	Govt Loan	1.12.93	3,59,278	-----	3,59,278	9,54,000	13,13,278
(iii)	LCSP	13.3.98	2,85,000	-----	2,85,000	4,28,148	7,13,148
		Total	11,81,278	3,34,100	8,47,178	38,10,148	46,48,326

Annexure-'T'

Diversion of Fund/Grant

Sl. No.	Name of Unit	Name of Grant	Period	Purpose for Which Diverted	Amount (In Rupees)	Total fund Received (In Rupees)	Percentage of Diversion
1	Kokrajhar MB	Motor Vehicle Tax	4/99 to 3/05	General Fund	638092	1723000	37%
2	Moran TC	National Slum Development Programme	8/01 to 2/02	Do	312600	650000	48%
		Swarn Jayanti Sahariya Rojgar Yojana	2/00 to 5/05	Do	123847	459000	27%
		EFC	7/03	Do	125000	125000	100%
		MVT	9/03 to 2/05	Do	728121	871000	84%
		Low Cost Sanitary Programme	4/93 to 3/94	Do	150000	500000	30%
3	Chabua TC	MVT	1/05 to 2/05	Do	225516	450000	50%
		EFC	4/05				
4	Doomdooma TC	MVT	10/01 to 9/04	Do	554952	1113220	49.9%

Annexure – 'U'

Loss of Revenue due to non-deduction of Income Tax

Sl No	Name of Unit	No of Vouchers	Period	Income-Tax (in Rupees)	Remark
1	Kokrajhar MB	72	8/00 to 3/05	86248	IT deducted but not deposited
2	Moran TC	12	12/03	8931	-do-
		16	9/03 to 2/05	8723	Income Tax not deducted
3	Chabua TC	17	8/03 to 1/05	6813	IT not deducted
4	Doomdooma TC	6	4/00 to 3/05	13838	IT deducted but not deposited
Total				124553	

