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ANNUAL TECHNICAL INSPECTION REPORT
on
URBAN LOCAL BODY AND RURAL LOCAL BODIES
for the year ended 31 March 2014

GOVERNMENT OF MIZORAM

In terms of the Technical Guidance and Supervision (TG&S)
by the Comptroller and Auditor General of India

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL, MIZORAM,
AIZAWL

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PREFACE

This report has been prepared for submission to the Government of Mizoram in terms of the Technical Guidance and Supervision (TG&S) over the audit of accounts of Urban Local Body (ULB) and Rural Local Bodies (RLBs). The Government of Mizoram has entrusted audit of accounts of Local Bodies to the Comptroller & Auditor General (C&AG) of India under Section 20(1) of the C&AG's DPC Act, 1971.

The ATIR for the year 2013-14 is a consolidation of audit findings arising out of audit of accounts of one ULB (Aizawl Municipal Council) and RLBs conducted during 2013-14.

The Report contains four Chapters of which Chapter-I & II contain an overview of the organisation, finances, devolution and accountability framework of the ULB as well as the RLBs and Chapter-II & III contain Compliance Audit Paragraphs of ULB & RLBs for the year ended 31 March 2014 respectively. Matters relating to the period preceding 2012-13 as well as those subsequent to the year 2013-14 have also been included wherever necessary.

The purpose of this report is to give overview of the functioning of the Aizawl Municipal Council and the RLBs, to draw the attention of the Executives for remedial action and improvement, wherever necessary.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The Annual Technical Inspection Report has been prepared in four chapters. Chapter-I & II contain an overview of the organisation, finances, devolution and accountability framework of Urban Local Body and Rural Local Bodies respectively. Chapter-II & III contain Compliance Audit paragraphs of Urban Local Body and Rural Local Bodies respectively.

CHAPTER-I

AN OVERVIEW OF THE ORGANISATION, FINANCES, DEVOLUTION AND ACCOUNTABILITY FRAMEWORK OF URBAN LOCAL BODY (ULB)

There is one Urban Local Body in the State *i.e.* Aizawl Municipal Council (AMC). Under the AMC there are 19 Wards comprising of 82 Local Councils.

The Secretary, Urban Development and Poverty Alleviation Department, is the Nodal Department for the ULB. The Chairperson is the executive head of the AMC, who is elected by the majority of Councillors and is responsible for the governance of the AMC.

(Pararagraph 1.1 and.1.2)

Full devolution of powers and functions to the ULB as envisaged in the Mizoram Municipality Act is yet to be transferred to AMC by the State Government. **(Pararagraph 1.3)**

As per Government notification (March 2011), the AMC is required to prepare its budget and maintain accounts in the formats prescribed in the National Municipal Accounts Manual (NMAM) with appropriate codifications and classifications. However, the AMC did not prepare Annual budget and did not maintain accounts as per prescribed formats in NMAM.

(Pararagraph 1.4)

The Report of the Mizoram Finance Commission was to give recommendations for the period of five years starting from 1 April 2013 to 31 March 2018, which was due on 30 November 2012. Further, the State Government under notification (August 2012) modified the period of recommendation from 1 April 2015 to 31 March 2020, which was due on 30 November 2014. The Commission, however, had submitted (February 2015) its report to the Hon'ble Governor of Mizoram for his assent, which is awaited.

(Pararagraph 1.5)

CHAPTER-II

AN OVERVIEW OF THE ORGANISATION, FINANCES, DEVOLUTION AND ACCOUNTABILITY FRAME WORK OF RURAL LOCAL BODIES (RLBs)

The whole State of Mizoram is exempted from the purview of the 73rd Constitutional Amendment Act. However, the existing traditional Village Councils (VCs) have been constituted with the responsibility to function as Panchayati Raj Institutions. The Finance Department of the

State Government headed by the Commissioner-cum-Secretary is responsible for overall monitoring of the funds under Rural Local Bodies (RLBs).

(Paragraph 2.1 and 2.2)

Audit noticed that all the 157 test checked VCs in four districts (Aizawl:29, Champhai:30, Kolasib:40 and Lunglei:35) and one ADC (Lai:23) were maintaining the cash books, cash memos/vouchers *etc.* for keeping accounts of the Thirteenth Finance Commission grants following the instructions/guidelines issued by the State Government.

(Paragraph 2.3)

CHAPTER-III

COMPLIANCE AUDIT - URBAN LOCAL BODY

Audit noticed that the State Government released Thirteenth Finance Commission grants to the AMC after a delay ranging from 3 days to 180 days from the stipulated date of transfer.

(Paragraph 3.1.1)

The AMC incurred an excess expenditure of ₹ 26.08 lakh (₹ 286.91 lakh minus ₹ 260.83 lakh) due to inclusion of contractors profit even in cases where 335 minor works were executed departmentally.

(Paragraph 3.1.2.1)

During 2013-14, the Revenue Assistants collected total property tax of ₹ 193.97 lakh, out of which ₹ 33.06 lakh (17 *per cent*) was handed over to the DDO after delays ranging between 7 and 220 days.

(Paragraph 3.2.1)

CHAPTER-IV

COMPLIANCE AUDIT - RURAL LOCAL BODIES (RLBs)

Audit noticed that the State Government released ThFC grants to the RLBs after a delay of 63 days during 2013-14.

(Paragraph 4.1.1)

Village Councils incurred an excess expenditure of ₹ 74.60 lakh due to inclusion of contractors profit for execution of 474 minor works departmentally.

(Paragraph 4.1.3)

Important records like cash book, bank pass book, vouchers and other important registers were not properly maintained in the 157 test checked Village Councils and Lai Autonomous District Council.

(Paragraph 4.2)

CHAPTER-I

AN OVERVIEW OF THE ORGANISATION, FINANCES, DEVOLUTION AND ACCOUNTABILITY FRAMEWORK OF URBAN LOCAL BODY

CHAPTER-I

AN OVERVIEW OF THE ORGANISATION, FINANCES, DEVOLUTION AND ACCOUNTABILITY FRAMEWORK OF URBAN LOCAL BODY

1.1 Introduction

The Seventy Fourth Constitutional Amendment Act, 1992 paved the way for decentralisation of power, transfer of functions and to establish a system of uniform structure, holding of regular elections and regular flow of funds through Finance Commission to the Urban Local Bodies (ULBs). As a follow up, the States were required to entrust these bodies with such powers, functions and responsibility in respect of 18 functions as listed in the 12th Schedule of the Constitution of India so as to enable them to function as self-government institutions. The Mizoram Municipalities (MM) Act, 2007 (as amended in December 2009) which came into force in 2008 was enacted to incorporate the provisions of the Constitutional Amendment Act, 1992. At present the lone Urban Local Body in the State *i.e.* Aizawl Municipal Council (AMC) covers a total area of 129 sq. kms. and population of 2,91,822 as *per* 2011 census. Under the AMC, there are 19 Wards comprising of 82 Local Councils. The first general election to the AMC was held in November 2010.

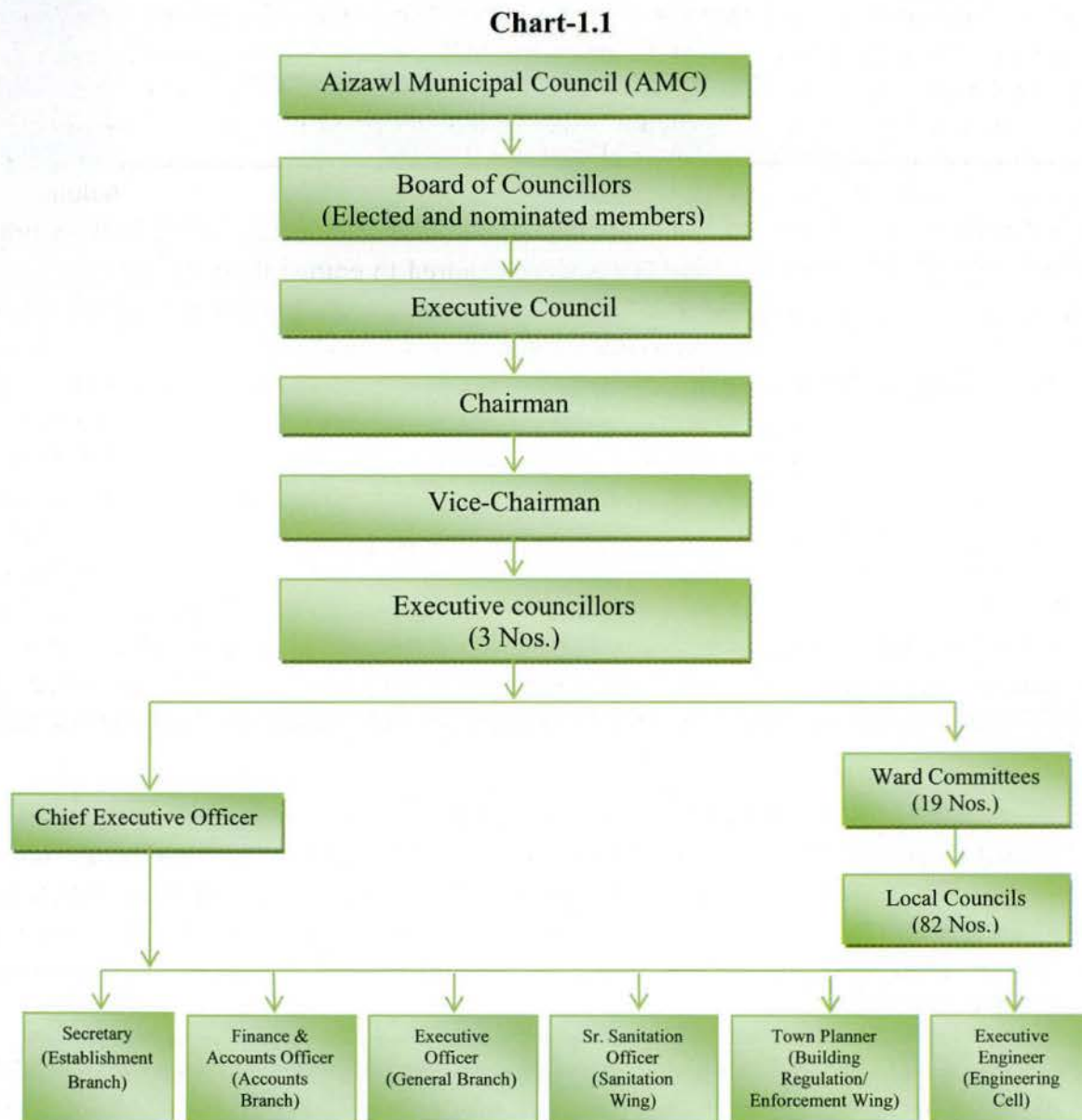
1.2 Organisational Setup in State Government and Urban Local Body

Urban Development & Poverty Alleviation (UD&PA) Department is the Nodal Department for ULB in the State of Mizoram. The Secretary, UD&PA Department is the Nodal Officer and is assisted by the Director, UD&PA in allocation of funds received through Grants-in-Aid.

The AMC consists of 19 elected and 12 nominated Councillors. The Executive head of the AMC is the Chairperson, who is elected by the majority of Councillors. The Chairperson presides over the meetings of the Municipal Council (MC) and is responsible for the governance of the AMC.

The State Government appoints a Chief Executive Officer for administrative control of the AMC. Other officers *viz.* Secretary, Executive Officer, Finance & Accounts Officer, Executive Engineer, Senior Sanitation Officer, Town Planner are also appointed by the State Government to discharge specific functions of the body.

The organisational set up of AMC is as follows in Chart-1.1:



1.3 Devolution of Powers and Functions

The Seventy-fourth Constitutional Amendment provides scope for devolution of funds, functions and functionaries to Urban Local Bodies by the State Government for preparation of plans and programmes for economic development and social justice relating to 18 functions as listed in the 12th Schedule of the Constitution of India. The Government of Mizoram has enacted the “Mizoram Municipalities Act, 2007” (amended in December 2009) to establish municipalities in towns, transitional areas and urban areas in Mizoram to enable the municipalities in the State to function as local self-governing institutions.

As per Section 59(2) of the Act, the State Government may transfer to the Municipality functions and duties in relation to 17 subjects. The State Government transferred (November 2014) six functions and duties to the AMC out of 17 functions as listed in the Act. Further, in respect of “Water supply and Sanitation”, while sanitation functions were transferred the function of water supply was not transferred to the AMC. The remaining 11 functions as per the Act are yet to be transferred. The details are shown in **Appendix-1.1**.

However, the position of transfer of functionaries and funds related to the transferred functions to AMC was not made available to Audit.

1.4 Maintenance of Accounts

Proper financial reporting by ULBs is an important instrument for financial reforms and to achieve objective of accountability. Considering the importance of proper maintenance of accounts, the Eleventh Finance Commission in its recommendation has entrusted the responsibility for exercising control and supervision over the proper maintenance of accounts and the audit of ULBs to the Comptroller and Auditor General of India (C&AG). Accordingly, the Ministry of Urban Development, Government of India (GoI) in consultation with the C&AG developed the National Municipal Accounts Manual (NMAM) (December 2004). The NMAM is based on accrual based double entry accounting system for greater transparency and control over finances. The ULBs were required to prepare their budget and maintain their accounts in the formats as prescribed in NMAM with appropriate codifications and classifications.

Further, in terms of Paragraph 10.116 of the guidelines issued by the Ministry of Finance for release and utilisation of Thirteenth Finance Commission’s (ThFC) grants, the State should implement an accounting framework consistent with the accounting format and codification pattern suggested in the NMAM. Accordingly the State Government had notified (March 2011) for adoption of accounting framework as prescribed in NMAM with appropriate codifications and classification.

However, audit noticed that the AMC did not prepare Annual Budget. The Council also did not maintain accounts in accordance with the prescribed formats in NMAM even after three years of Government’s notification. The AMC is maintaining the accounts in a cash based single entry system.

The AMC stated (June 2015) that the Council received technical assistance from the Consultancy firm viz. Institutional Development Consultancy (IDC) under Asian Development Bank (ADB) funded project for implementation of accounting reforms as mandated in NMAM. The IDC had developed accounting software based on NMAM and two accounting experts from IDC had been assigned to AMC till March 2015 to render handholding support.

It was also noticed in audit that the IDC started the posting of transactions in 2011-12 starting from the Account year 2008-09 which is still ongoing, which has caused the delay of finalising the Accounts upto the year 2013-14.

1.5 State Finance Commission

In pursuance of the Sub-Section (1) of Section 3 of the Mizoram Finance Commission Act, 2010 (Act No. 17 of 2010), the State Government, Finance Department constituted (30 September 2011) Mizoram Finance Commission under the Chairmanship of the ex-Chief Secretary of the State.

The Commission was constituted to make recommendations as to the following matters:

- (i) The principles which *inter alia* should govern –
 - a) The distribution between the State and the Village Councils, Aizawl Municipal Council and the Autonomous District Councils of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them to enable these bodies to perform the functions assigned, and which may be assigned to it under any laws in force or orders, and the allocation between the Village Councils, Aizawl Municipal Council and the Autonomous District Councils at all levels of their respective shares of such proceeds;
 - b) The determination of the taxes, duties, tolls and fees which may be assigned to or appropriated by, the Village Councils, Aizawl Municipal Council and the Autonomous District Councils; and
 - c) The grants-in-aid to the Aizawl Municipal Council from the Consolidated Fund of Mizoram;
- (ii) The measures needed to improve the financial position of the Aizawl Municipal Council, Village Councils and Autonomous District Councils.

The Mizoram Finance Commission was to give recommendations for the period of five years from 1 April 2013 to 31 March 2018, which was due on 30 November 2012. Further, consequent to the appointment (August 2012) of a full time Mizoram State Finance Commission, the State Government under notification (August 2012) modified the period of recommendation from 1 April 2015 to 31 March 2020, which was due on 30 November 2014.

However, the Commission had submitted (February 2015) its report to the Hon'ble Governor of Mizoram for his assent which is awaited (June 2015).

1.6 Formation of Ward Committees

Section 23 of the MM Act, 2007 (as amended in December 2009) provides that every Municipality shall, at its first meeting after the election of Councillors thereto or as soon as may be thereafter form a Ward Committee for every ward. Further, the municipality shall form a Local Council in every locality within the ward to oversee the matters of local nature according to the Mizo traditions, customs and practices and such other matters necessary for effective functioning of the Local Councils.

It was noticed that the first election to form 82 Local Councils was held in February 2012 and subsequently 19 Ward Committees were formed on 24 May 2012 to oversee the matters of local internal issues according to the Mizo traditions, customs and practices and such other matters necessary for effective functioning of the Local Councils.

1.7 Financial Profile of the ULB

The resource base of the AMC comprises of Own Source of Revenues (OSR), Central Finance Commission grants and State Government grants for maintenance and development purposes.

Under Section 210 of the Mizoram Municipalities Act, 2007 (as amended in December 2009), the AMC may levy taxes such as property tax, market fees and rents, profession tax, tax on carriages and animals, tax on carts and advertisement tax other than advertisements published in newspapers. It was only from May & October 2012 that the AMC was authorised to collect parking fees and property tax respectively with retrospective effect from 7 August 2011. Further under Government Notification (May 2012), the Property tax collected by the AMC is to be deposited into Revenue receipt Head of the State Government through Land Revenue & Settlement Department till the report of the State Finance Commission is accepted and implemented. Market fees and rents, building regulation, Ch. Chunga Bus Terminal fees, Ch. Saprawnga Truck Terminal fees, parking fees, *etc.* constituted the main sources of revenue of the AMC.

The positions of release of Thirteenth Finance Commission (ThFC) grants, fund from State Government to AMC and Own Source of Revenue (OSR) of AMC during 2013-14 are shown in Table-1.1:

Table-1.1

(₹ in crore)

Source of fund		Amount released to UD&PA Department	Amount released to AMC by UD&PA Department/OSR
		2013-14	2013-14
(A) Grants from GoI & State Government			
GoI	Grants under 13 th FC	21.23	21.23
State Government	Salary, OE & OC	6.06	6.06
Sub-Total (A)		27.29	27.29
(B) Own Source of Revenue (OSR)			
Own Source of Revenue (OSR)	Building regulation including rent	-	0.05
	Fees	-	0.55
	Others including bank interest	-	0.48
Sub-Total (B)		-	1.08
Grand Total (A) + (B)		-	28.37
(C) Collection of Property tax		-	1.94

Source: Council's records

It can be seen from Table-1.1 that the bulk of fund (₹ 27.29 crore) constituting 96 *per cent* of the total fund (₹ 28.37 crore) was received by the AMC from the Central (₹ 21.23 crore) and the State Government (₹ 6.06 crore) for execution of various developmental works, allowances to councillors and to meet the administrative expenses while the OSR of (₹ 1.08 crore) constituted only 4 *per cent* of the total available fund during the year 2013-14.

The AMC stated (June 2015) that with the introduction of new method of calculation of property tax, enhancement of city Parking fees and construction of Ware House at Ch. Saprawnga Truck Terminal (CSTT), the AMC is expected to raise its annual revenue upto ₹ 3.00 crore out of property tax during the first year of collection.

1.8 Audit Mandate

As per provision under Section 90(1) of the Mizoram Municipalities Act, 2007 (as amended in December 2009), the municipal accounts as contained in the Annual Financial Statement shall be examined and audited by an auditor appointed by the State Government.

Further, Para 6.4.4 of the guidelines issued by the Ministry of Finance for release and utilisation of ThFC grants stipulated that the State Government must put in place an audit system for ULB and the Annual Report of the DLFA must be placed before the State Legislature.

Accordingly, the State Government appointed (June 2011), Examiner of Local Funds Accounts (ELFA), renamed (August 2012) as Director of Local Fund Audit (DLFA) Mizoram as auditor of the AMC with the responsibility of certification of accounts and statutory audit of the local bodies under the administrative control of the Finance Department.

Audit noticed that Audit Report of the DLFA in respect of Local Councils under AMC for the year 2013-14 was laid in the State Legislative Assembly in March 2015.

Besides, in pursuance of the recommendations of the ThFC, State Government entrusted (June 2011) audit of accounts of AMC under the Technical Guidance & Supervision (TG&S) module to the Comptroller & Auditor General of India under Section 20(1) of the C&AG's DPC Act, 1971. Accordingly, the audit of accounts of AMC for the year 2013-14 under TG&S arrangement was conducted during August-November 2014.

The audit findings are being featured in the Annual Technical Inspection Report (ATIR) for submission to the State Government for necessary action. The ATIR for the year 2012-13 was submitted to the State Government and the State Government had placed the ATIR on Local Bodies (Urban & Rural) for the year 2012-13 in the State Legislative Assembly on 9 July 2014.

As per Para 3.8.6 (b) of the Recommendations of the Second Administrative Reforms Commission, the State Government is required to form a separate Standing Committee of the

State Legislature for the Local Bodies in the line of Public Accounts Committee for discussion of Audit Report on Local Bodies.

The Secretary of Mizoram Legislative Assembly intimated (April 2015) that a separate Standing Committee namely Committee on Local Fund Accounts (CoLFA) was formed by the State Government in the line of PAC for discussion of Audit Report on Local Bodies.

1.9 Conclusion

Out of 17 statutory functions, the State Government had transferred only six functions and duties out of 17 functions as listed in the Act to the AMC as of November, 2014. Thus, even after six years since the enactment of the Mizoram Municipalities Act, the AMC is not able to function as a vibrant institution of local self-government with greater peoples' participation in management of their own affairs in the absence of full devolution of powers and functions.

The AMC could not maintain its accounts in the formats prescribed in NMAM after three years of the State Government's notification for adoption.

State Government has formed a Separate Committee (Committee on Local Fund Accounts) of the State Legislature in the line of the PAC for discussion of the ATIR.

1.10 Recommendations

- The State Government should expedite the process of full devolution of powers and functions to the AMC listed under Section 59(2) of the MM Act.
- The AMC should expedite the finalisation of Accounts as mandated in NMAM.
- The AMC may take initiative to look into and explore areas of augmenting their own resource base through unchartered areas of tax/non-tax sources of revenue.



CHAPTER-II

AN OVERVIEW OF THE ORGANISATION, FINANCES, DEVOLUTION AND ACCOUNTABILITY FRAMEWORK OF RURAL LOCAL BODIES

CHAPTER-II

AN OVERVIEW OF THE ORGANISATION, FINANCES, DEVOLUTION AND ACCOUNTABILITY FRAMEWORK OF RURAL LOCAL BODIES

2.1 Introduction

The State of Mizoram comprises eight Administrative Districts. Out of the eight Districts, two Administrative Districts – Lawngtlai and Saiha are covered by the Sixth Schedule of the Constitution of India and the remaining six districts fall under 243M of Part IX of the Constitution of India, and thereby the whole State is exempted from the purview of the 73rd Constitutional Amendment Act.

However, as in the case of the State of Mizoram, where the 73rd Constitutional Amendment is not applicable, the existing traditional Village Councils (VCs) have been constituted with the responsibility to function as Panchayati Raj Institutions.

As per the Finance Department's Notification (June 2010), in the context of Mizoram, local body means all the Village Councils (VCs), Aizawl Municipal Council (AMC), Sinlung Hills Development Council (SHDC), and three Autonomous District Councils (ADCs) (Lai, Chakma and Mara Autonomous District Councils). As per the Finance Department's notification (June 2010), the Special Areas Grant of the Thirteenth Finance Commission (ThFC) should be operated by the SHDC and the three ADCs.

Further, the State Government notified (April 2013) the District Local Administration Officers/ Local Administrative Officers as "Zila Parishads" *i.e.* District Level Local Body. In effect, there is a structurally quasi-Government rural local bodies in Mizoram with no block level direct control mechanism to keep regular watch over the activities of the Village Councils.

2.2 Organisational Setup in State Government and Rural Local Bodies (RLBs)

The Finance Department of the State Government headed by the Commissioner-cum-Secretary is responsible for overall monitoring of the funds under Rural Local Bodies (RLBs).

The Secretaries of the Administrative Departments *viz.* Local Administration Department (LAD), District Council Affairs Department (DCAD) and General Administrative Department (GAD) function as the Nodal Departments of the RLBs in respect of General Basic Grants, General Performance Grants, Special Areas Basic Grants and Special Areas Performance Grants under ThFC.

Besides, the Director, LAD, who acts as the Nodal Officer, is responsible for allocation of funds and overall supervision of the works to be executed by the VCs under ThFC General Grants. He is assisted by the six District Local Administration Officers (DLAOs) and three Local Administrative Officers (LAOs) under ADCs in supervising and monitoring the activities of the 757 VCs in the State.

The Secretary, DCAD functions as the Nodal Officer of the RLBs in respect of Special Areas Basic Grants and Special Areas Performance Grants for three ADCs. The ADCs implemented the development works out of grants received.

The General Administration Department (GAD) functions as the Nodal Department in respect of Special Areas Basic Grants and Special Areas Performance Grants released to the Sinlung Hills Development Council.

The organisational structure of the RLBs is given in the Chart-2.1:

Chart-2.1



2.3 Maintenance of Accounts

By virtue of the Sixth Schedule and Article 243M of the Constitution of India, Rural Local Bodies in Mizoram being non-Panchayats, the preparation of budget and maintenance of accounts and database on finances in the line of formats prescribed for Panchayati Raj Institutions by the Ministry of Panchayati Raj in consultation with Comptroller and Auditor General of India, is not applicable in the State.

However, Para 6.5.1 (ii) of the Ministry of Finance (MoF) Guidelines on utilisation of ThFC grants stipulated that if these agencies (Local Bodies) are non-Panchayats, they must maintain accounts consistent with the instructions in force. Further, these accounts should be up-to-date, duly audited by the C&AG, and the Audit Reports tabled, wherever so mandated.

Since Village Councils (VCs) are non-Panchayats in the entire state, be it General or Special Area, falling under the Sixth Schedule or Part IX A of the Constitution of India, the conditions contained in para 6.5.1 (ii) of the MoF guidelines shall apply.

However, the State Government has formulated and issued instructions/guidelines (14 July 2006) to the Village Councils for maintaining records viz. cash books, cash memos/ vouchers etc. against the funds received from the ThFC.

It was noticed in audit that all the 157 test checked VCs in four Districts (Aizawl:29, Champhai:30, Kolasib:40 and Lunglei:35) and one ADC (Lai:23) were maintaining the cash books, cash memos/vouchers etc. for keeping accounts of the ThFC grants as per instructions/guidelines issued by the State Government.

2.4 Financial Profile of the RLBs

The Thirteenth Finance Commission (ThFC) released Grants-in-Aid to the State Government to supplement the resources of the RLBs. On receipt of funds under ThFC from the Government of India (GoI), the Finance Department of the State Government in turn released the same to the three Administrative/Nodal Departments [Local Administration Department (LAD), District Council Affairs Department (DCAD) and General Administration Department (GAD)] for its onward release/allocation to the concerned RLBs under their jurisdiction.

As per ThFC recommendations, the GoI released a total Grants-in-Aid of ₹ 31.03 crore (General Basic Grant: ₹ 13.37 crore plus General Performance Grant: ₹ 17.66 crore) during 2013-14.

The details of receipt of grants from the GoI and its allocation to the concerned three Administrative/Nodal Departments by the State Government during the year 2013-14 are shown in the following Table-2.1:

Table-2.1

(₹ in crore)

Particulars	Year of ThFC grants	Grants released by GoI		Release of grants by the State Government to:				
		Year (Date)	Amount	Year	LAD	GAD	DCAD	Total
(A) General Basic Grant (GBG)	2012-13	2013-14 (15.07.13)	13.37	2013-14	13.37	Nil	Nil	13.37
Sub-Total (A)			13.37		13.37			13.37
(B) General Performance Grant (GPG)	2012-13	2013-14 (31.03.14)	13.07	2013-14	Nil	Nil	Nil	Nil
	2013-14	2013-14 (31.03.14)	4.59	2013-14	Nil	Nil	Nil	Nil
Sub-Total (B)			17.66		Nil	Nil	Nil	Nil
Grand Total (A+B)			31.03		13.37			13.37

Source: Departmental records

Audit observed that against the GoI release of ₹ 31.03 crore during 2013-14, the State Government could transfer/allocate only ₹ 13.37 crore to the Local Administration Department

(LAD) as of March 2014. The balance amount of ₹ 17.66 crore being General Performance Grant was released by GoI on 31 March 2014. Therefore the same could be transferred to the Nodal Departments only during 2014-15.

2.5 Audit Mandate

As per provision under Section 4 (3) of the Mizoram Grants-in-aid to Village Councils Rules, 2007, all accounts relating to the specific grants made by the Government shall be subjected to audit by approved auditors or anyone appointed for the post by the Government of Mizoram or Accountant General concerned. Further, Section 8(1) of the Rule provides that the accounts shall be audited by auditor appointed by the State Government or Accountant General.

Accordingly, the State Government appointed (June 2011), Examiner of Local Funds Accounts (ELFA), renamed (August 2012) as Director of Local Fund Audit (DLFA) Mizoram as statutory auditor of the AMC with the responsibility of certification of accounts and audit of the local bodies under the administrative control of the Finance Department.

It was noticed that Audit Report of the DLFA of the RLBs for the period ending 31 March 2014 was laid in the State Legislative Assembly in March 2015.

Besides, in pursuance of the recommendations of the ThFC, the State Government entrusted (June 2011) audit of accounts of local bodies under the Technical Guidance & Supervision (TG&S) to the Comptroller & Auditor General of India under Section 20(1) of the C&AG's DPC Act, 1971. Accordingly, the audits on the accounts of the VCs were conducted under TG&S arrangement. The audit findings are being featured in Annual Technical Inspection Report (ATIR) for submission to the State Government for necessary action. The ATIR for the year 2012-13 was submitted to the State Government and the State Government had placed the ATIR (Urban & Rural) in the State Legislative Assembly on 9 July 2014.

CHAPTER-III

COMPLIANCE AUDIT PARAGRAPHS

URBAN LOCAL BODY

CHAPTER-III

COMPLIANCE AUDIT PARAGRAPHS URBAN LOCAL BODY

3.1 Thirteenth Finance Commission grants

As per Thirteenth Finance Commission's recommendations the State Government needs to provide core services like drinking water, sewerage system, solid waste management and streetlights to local bodies.

In order to implement the programmes for civic amenities to the community in Aizawl Municipal Area, AMC prepared Annual Action Plan for 2013-14 (Outlay: ₹ 14.36 crore) under grants for ULB as per ThFC recommendations. The important points noticed in course of audit are spelt out in the succeeding paragraphs.

3.1.1 Delay in release of Thirteenth Finance Commission grants

As per para 4.2 of the guidelines issued by the Ministry of Finance for release and utilisation of grant recommended by the Thirteenth Finance Commission, the State Government is required to transfer the funds to ULB within five days of receipt from the Central Government in case of States with easily accessible banking infrastructure and ten days in case of States with inaccessible banking infrastructure. Any delay will require the State Government to release the instalment with interest at the Bank rate of RBI. However, the State Government notified (March 2013) that the process of transferring the ThFC grants to the Local Bodies is to be completed within 10 days of receipt of the grants from the GoI. The dates of release of ThFC grants *vis-à-vis* transfer of funds by the Urban Development and Poverty Alleviation (UD&PA) Department to the AMC (ULB) are shown in the following Table-3.1:

Table-3.1

(₹ in lakh)

Sl. No.	Release of Grants-in-Aid by GoI			Release to AMC				Delay (in days)
	Recommendations	Date of release	Amount released	Due Date of release	GoM Sanction Date	Date of release	Amount released	
1.	2 nd instalment 2012-13 (General Basic Grant)	22.03.13	652.57	31.03.13	01.04.13	03.04.13	652.57	3
2.	1 st instalment 2012-13 (Performance Grant)	30.03.13	426.67	08.04.13	05.06.13	25.07.13	736.96	107
3.	2012-13 (Performance Grant forfeited by Non-Performing States to the Performing States)	30.03.13	182.23					
4.	2012-13 (Performance Grant forfeited by Non-Performing States to the Performing States and Non-Performing States)	30.03.13	128.06					
5.	1 st instalment 2013-14 (General Basic Grant)	15.07.13	733.76	24.07.13	27.11.13	16.12.13	35.00	145
						15.01.14	534.48	175
						20.01.14	164.28	180
Total			2123.29	---	---	---	2123.29	---

Source: Departmental records

Audit noticed that the State Government released ThFC grants to the AMC after a delay ranging from 3 days to 180 days from the stipulated date of transfer.

Thus, due to delay in release of funds, the State Government had to pay penal interest of ₹ 65.14 lakh to the AMC. However, the same had not been released to the AMC as of September 2014.

3.1.2 Minor Works

In order to cater to the needs of the public in Aizawl Municipal Council (AMC) area, minor works *viz.* construction of stone masonry steps, retaining wall, link drain, culvert, approach road, hand railing, side drain, Reinforced Cement Concrete (R.C.C.) bridge, R.C.C. footpath, Permanent Cement Concrete (P.C.C.) pavement, Public Urinal, Jeep-able Road *etc.* were executed by the AMC out of the ThFC grants.

The Engineering Cell under the AMC is headed by an Executive Engineer (EE) who is assisted by one Assistant Engineer (AE) and five Junior Engineers (JEs).

During 2013-14, the AMC executed 1,205 works (total estimated cost: ₹ 1,122.62 lakh) with an expenditure of ₹ 1,123.72 lakh out of the ThFC fund. Of these 1,205 minor works, 335 works with an estimated cost ranging from ₹ 0.10 lakh to ₹ 14.00 lakh (total estimated cost: ₹ 286.91 lakh) were executed departmentally. The remaining 870 works with an estimated cost ranging from ₹ 0.10 lakh to ₹ 15.00 lakh were executed through contractors at an expenditure of ₹ 835.71 lakh.

Scrutiny of records of the 335 works executed departmentally (estimated cost: ₹ 286.91 lakh) with an expenditure of ₹ 288.01 lakh revealed the following irregularities:

3.1.2.1 Excess expenditure

In the Schedule of Rates (SoR), 2013 of Public Works Department (PWD), Government of Mizoram, contractor's profit @ 10 per cent is uniformly included on materials, labours and machineries for all items of works. So, the element of 10 per cent Contractor's profit is not to be taken into consideration in the estimate of work to be executed departmentally.

Scrutiny of records of the AMC, however, revealed that 335 minor works were executed departmentally during April 2013 to March 2014. The EE of the AMC prepared 335 estimates for minor works in 19 Wards valued at ₹ 286.91 lakh as per Mizoram SoR 2013 without deducting the element of 10 per cent contractor's profit from the estimated cost. The AMC should have restricted the estimated cost to the tune of ₹ 260.83 lakh for execution of 335 minor works departmentally.




Thus, the AMC incurred an excess expenditure of ₹ 26.08 lakh (₹ 286.91 lakh minus ₹ 260.83 lakh) due to inclusion of contractors profit on execution of 335 minor works departmentally.






While accepting the audit observations, the CEO stated (September 2014) that 10 per cent contractor's profit would be deducted from the estimate of the works to be executed departmentally in future.

3.1.3 Joint inspection of works

In order to assess the impact of the programme of construction works for civic amenities, joint physical inspection by the audit team and concerned JEs was conducted (September 2014) in four Wards (III, VI, XII & XIX) in respect of 101 works. All these works were completed within the sanctioned cost and time schedule. Photographic evidence was taken to substantiate audit observations in the following Table-3.2:

Table-3.2

Ward No.	Name of work	Expenditure (in lakh)	Shortcomings	Photographic evidence
III	Construction of Ground floor slab with wall painting of ground, 1 st & 2 nd floor building of MHIP, Ramhlun Venglai.	2.00	The inner walls were not painted.	
	Construction of drain near Pu Lalmuankima's house at Ramhlun Sports Complex.	0.30	The drain constructed without an outlet.	
VI	Construction of public urinal near Kawipui at Chanmari West.	0.25	Urinal was constructed next to water connection point ignoring hygienic aspect.	

Ward No.	Name of work	Expenditure (in lakh)	Shortcomings	Photographic evidence
VI	Construction of link drain between Lalrova's house at Hunthar.	1.00	Protruding iron rods caused waste materials to stick in the drain.	
	Providing and laying of chequered tiles near Babuji Tuikhum at Hunthar.	0.50	Most of the chequered tiles were damaged.	
XII	Construction of culvert at CP road near Sangthanga's house at Tuikual.	1.35	The culvert was not levelled with adjoining road surface leading to logging of water.	
	Construction of step, hand-railing and laying of chequered tiles between S. Chako's house to Lalhmangaihzuala's house at Tuikual North.	2.00	Footpath constructed was not fully covered by chequered tiles.	
XIX	Laying of chequered tiles at Thlanmua Kawng, Melthum.	0.80	Cracks were found in Chequered tiles.	

Source: Departmental records as well as results of joint inspection

As can be seen from the above table the quality of works done by the AMC was far from satisfactory.

While accepting the facts, the AMC stated (September 2014) that due to lack of technical staff it was difficult to ensure required workmanship.

3.2 Property Tax

Rule 7(1) of the Central Treasury Rules (CTR) provides that all money received by or tendered to Government Officers on account of revenue of the Government shall, without undue delay be paid in full into a treasury and shall be included in the Government accounts.

As per Government of Mizoram, Urban Development & Poverty Alleviation Department Notification (8 October 2012), collection of Property tax was assigned to Aizawl Municipal Council (AMC) from Land Revenue & Settlement Department with retrospective effect from 7 August 2011. Consequent upon the transfer of the said function to AMC, three Revenue Assistants from Land Revenue & Settlement Department were posted to AMC who are responsible for collection of Property tax within Municipal Area and deposits thereof.

The Finance Department instructed (May 2012) the AMC to deposit Property Tax into Revenue Receipt Head of the State Government through Land Revenue & Settlement Department till the report of the State Finance Commission is made effective.

Scrutiny of the records maintained by the AMC for collection of Property tax revealed the following short comings:

3.2.1 Delay in deposit of Property Tax

Audit scrutiny of records of the Aizawl Municipal Council (AMC) revealed that the daily collection of Property Tax was not handed over to the Drawing and Disbursing Officer (DDO) and hence not accounted for in the Cash Book of AMC on the same day. Instead, the same had been recorded in the Cash book on the day the accumulated collection for a certain period was handed over to the DDO. In the process, daily collection of property tax remained outside the Municipal Account till the date of handing over to the DDO.

During 2013-14, the Revenue Assistants (RA) collected total property tax of ₹ 193.97 lakh, out of which ₹ 33.06 lakh (17 per cent) was handed over to the DDO after delays ranging between 7 and 220 days as detailed in **Appendix-3.1**.

Delay in handing over of Government revenue to the Government amounts to temporary misappropriation.

The AMC, however, stated (June 2015) that the delay in deposits of revenue by the Revenue Assistants was due to inconsistency of revenue collection period. As there was no misuse of revenue penalty for delay in deposit was not imposed on the RAs. Further, the AMC will monitor timely deposit of revenue collected from property tax in future.

The reply is not tenable as the RAs retained the cash for a prolonged period upto 220 days without handing over to the DDO.

3.2.2 Non/Short Deposit of Property Tax

As per the State Government Notification (May 2012), the Property Tax collected by the AMC should be deposited to the State Government Accounts till the implementation of the State Finance Commission Report.

Audit noticed that out of available Property Tax of ₹ 5.39 crore (OB: ₹ 3.45 crore plus 2013-14: ₹ 1.94 crore) an amount of ₹ 1.77 crore was deposited (April 2013) into Government Account as Revenue Deposit of the State Government leaving a balance amount of ₹ 3.62 crore (₹ 5.39 crore minus ₹ 1.77 crore) as of September 2014.

Thus, non-deposit of Government Revenue in time was in contravention of Government order and there is a possibility of temporary misappropriation.

The AMC in their reply stated (September 2014) that the collected revenue will be deposited into the Government Accounts as early as possible. However, the collected revenue was not deposited into the Government Accounts as of July 2015.

3.3 Conclusion

There was a delay in release of ThFC grants ranging between 3 days to 180 days to the AMC. The State Government had not paid penal interest of ₹ 65.14 lakh to AMC till September 2014 for the delay in the release of grants. Further, the AMC incurred an excess expenditure of ₹ 26.08 lakh for execution of 335 minor works departmentally due to inclusion of 10 *per cent* contractors profit in the estimates. Besides, the AMC had not deposited the Property Tax of ₹ 3.62 crore to the Government Account in contravention of Government orders.

3.4 Recommendations

- The Finance Department should release ThFC grants to AMC within the stipulated time and with interest in case of delays.
- The contractor's profit of 10 *per cent* should not be included in the estimate of the work executed departmentally.
- Property Tax collected should be deposited in timely manner into the Government Account to avoid retention of money by the Revenue Assistants.

CHAPTER-IV

COMPLIANCE AUDIT PARAGRAPHS RURAL LOCAL BODIES

CHAPTER-IV

COMPLIANCE AUDIT PARAGRAPHS RURAL LOCAL BODIES

4.1 Thirteenth Finance Commission grants

The Thirteenth Finance Commission (ThFC) has recommended General Basic Grants, General Performance Grants, Special Areas Basic Grants and Special Areas Performance Grants for the five year period 2010-15. The details of ThFC grants received by the Government of Mizoram (GoM) during the period 2013-14 *vis-à-vis* release to the Rural Local Bodies (RLBs) are shown in Table-4.1:

Table-4.1

(₹ in crore)

ThFC grants			Grants released by the GoI		Grants released by the GoM	Allocation and release of grants by:			
Particulars	Year	Amount	Year	Amount	LAD	LAD to Director LAD	LAD to DLAO/LAO	LAD to VCs	Total
General Basic Grant	2012-13	13.37	2013-14	13.37	13.37	0.34	0.15	12.88	13.37
General Performance Grant	2012-13	13.07	2013-14	13.07	Nil	Nil	Nil	Nil	Nil
	2013-14	4.59	2013-14	4.59	Nil	Nil	Nil	Nil	Nil
Total		31.03		31.03	13.37	0.34	0.15	12.88	13.37

Source: Sanction orders and departmental records

Audit noticed that out of ThFC grants of ₹ 31.03 crore released by GoI, the GoM transferred ₹ 13.37 crore to the DLAOs/LAOs and RLBs during 2013-14.

4.1.1 Delay in release of Thirteenth Finance Commission grants

As per para 4.2 of the guidelines issued by the Ministry of Finance for release and utilisation of grant recommended by the Thirteenth Finance Commission the State Government is required to transfer the funds to RLBs within five days of receipt from the Central Government in case of States with easily accessible banking infrastructure and ten days in case of States with inaccessible banking infrastructure. Any delay will require the State Government to release the instalment with interest at the Bank rate of RBI. The State Government notified (March 2013) that the process of transferring the ThFC grants to the Local Bodies is to be completed within 10 days of receipt of the grants from the GoI. The dates of release of ThFC grants *vis-à-vis* transfer of funds by the Local Administration Department (LAD) to the RLBs are shown in the following Table-4.2:

Table-4.2

(₹ in crore)

Release of Grants-in-Aid by GoI			Release to RLBs			Delay (in days)
Particulars	Date of release	Amount released	Due Date of release	Date of release	Amount released	
General Basic Grant: 2012-13 (1 st instt.)	15.07.13	13.37	25.07.13	26.09.13	12.88	63
Total		13.37	---	---	12.88	---

Source: Departmental records

Audit noticed that the State Government released ThFC grants to the RLBs after a delay of 63 days from the date of receipt.

Thus, due to delay in release of grants to the RLBs, the State Government was liable to paypenal interest of ₹ 23.00 lakh¹ as of September 2014.

4.1.2 Minor Works

The State Government sanctioned (September 2013) ₹ 12.88 crore under ThFC grant for implementation of work programme for the year 2012-13. The Village Councils submitted work proposals on priority basis to the concerned District Local Administrative Officers (DLAOs) /Local Administrative Officers (LAOs) during 2012-13 for approval. The Director, LAD administratively approved (September 2013) 474 minor works viz. construction of community water storage tanks/rain water harvesting tank, construction of footpath, retaining wall, footsteps, pavement, culvert, approach road, village park, bridge, etc. at an estimated cost of ₹ 8.21 crore in respect of 465 VCs in four test checked districts (Aizawl, Kolasib, Champhai and Lunglei) and one ADC (Lai ADC). An amount of ₹ 8.21 crore was transferred to the bank accounts of 465 VCs by the Director, LAD for execution of 474 minor works during 2013-14.

Audit scrutiny of records of the selected four DLAOs and one LAO for execution of 474 minor works through VCs revealed the following irregularities:

4.1.3 Excess expenditure

Public Works Department (PWD), Government of Mizoram, while preparing the Schedule of Rates (SoR) 2013, included a contractor's profit @ 10 per cent uniformly on materials,

1

Amount (₹ in crore)	RBI Bank Interest		Delay in days	Amount of interest (₹ in lakh)
	Period	Rate of interest		
12.88	25.07.13 to 19.09.13	10.25	57	21.00
	20.09.13 to 25.09.13	9.50	6	2.00
	Total		63	23.00

labours and machineries for all items of works. Consequently, the element of 10 per cent Contractor's profit is not to be taken into consideration in the estimate of work to be executed departmentally.

Scrutiny of records of the Junior Engineers of the concerned three DLAOs and one LAO office revealed that detailed estimates for execution of 369 minor works by 351 VCs valued at ₹ 627.46 lakh as per PWD, SoR 2013 was prepared without deducting the element of 10 per cent Contractor's profit from the estimated cost. Also the JE of the DLAO, Champhai did not prepare detailed estimates of 105 works against sanctioned amount of ₹ 193.14 lakh. For execution of all these 474 works (369 plus 105) the DLAOs/LAO were to restrict the estimated cost to the tune of ₹ 746.00 lakh (₹ 820.60 lakh minus 10 per cent Contractors' profit of ₹ 74.60 lakh). Details are shown in **Appendix-4.1**.

Thus, the VCs incurred an excess expenditure of ₹ 74.60 lakh (₹ 820.60 lakh minus ₹ 746.00 lakh) due to inclusion of contractors profit for execution of 474 minor works.

While accepting the facts the DLAO, Aizawl stated that (September 2014) the element of 10 per cent contractors' profit would be considered while preparing estimate of the works in future.

4.1.4 Detailed estimates of minor works were not prepared

Rule 129 General Financial Rules, 2005 provides that no works shall be commenced or liability incurred in connection with it until estimates containing the detailed specifications and quantities of various items have been prepared and sanctioned on the basis of the Mizoram Schedule of Rates.

Audit noticed that without preparing detailed estimates as per Mizoram, SoR 2013 the DLAO, Champhai authorized the VCs to draw funds of ₹ 193.14 lakh for execution of 105 works viz. Construction of (i) Retaining Wall, (ii) RCC slab culvert, (iii) flooring, (iv) Footpath, (v) Water Tank, (vi) steps, (vii) VC house, (viii) Village park, (ix) cemetery approach road etc. at different locations. As per Utilization Certificates submitted by VCs all these 105 minor works were completed with an expenditure of ₹ 193.14 lakh.

Out of 105 works, joint field inspection in respect of 30 works was conducted (June 2015) by an audit team and departmental officers and photographic evidence was obtained. All these 30 works were found completed (January 2014).

However, the works executed by the Village Councils without detailed estimates and the vouchers related to the works were not made available to audit.

4.2 Maintenance of registers/records was improper

Audit scrutiny of records viz. cash books, bank passbooks, vouchers, actual payee receipts maintained by the test checked 157 Village Councils under four DLAOs (Aizawl, Kolasib,

Champhai and Lunglei) and one LAO (Lai Autonomous District Council) revealed the shortcomings as detailed in Table-4.3:

Table-4.3

DLAO / LAO	No. of VCs	Details of records checked		Particulars of shortcomings noticed in audit
		No. of VCs	Amount (₹ in lakh)	
DLAO, Aizawl	91	29	58.12	(i) Sub-vouchers/APRs/Muster Roll totalling ₹ 1.06 lakh were not made available by four VCs for audit check. (ii) Assets register was not maintained by any of the VCs as required under Para 9(1) of the Mizoram Village Councils Grant-in-Aid Rules, 2007. (iii) Five VCs did not produce Bank pass books for audit check.
DLAO, Kolasib	45	40	84.21	(i) Sub-vouchers/APRs/Muster Roll totalling ₹ 15.70 lakh were not made available by 16 VCs for audit check. (ii) One VC (N. Chhimluang) did not record details of expenditure of ₹ 1.13 lakh in the cash book. (iii) Assets register was not maintained by any of the VCs as required under Para 9(1) of the Mizoram Village Councils Grant-in-Aid Rules, 2007. (iv) 14 VCs did not produce Bank pass books for audit check and five VCs did not update Bank pass books.
DLAO, Champhai	105	30	65.44	(i) Sub-vouchers/Muster Roll totalling ₹ 0.63 lakh were not made available by one VC (Zokhawthar) for audit check. (ii) Two VCs irregularly spent ₹ 15,400 (Khawzawl-II: ₹ 9,200 and N. Khawbung: ₹ 6,200) on refreshment. (iii) Assets register was not maintained by any of the VCs as required under Para 9(1) of the Mizoram Village Councils Grant-in-Aid Rules, 2007. (iv) One VC (Hmunhmeltha) did not update Bank pass book.
DLAO, Lunglei	138	35	70.80	(i) Five VCs irregularly spent ₹ 21,425 on refreshment. (ii) Assets register was not maintained by any of the VCs as required under Para 9(1) of the Mizoram Village Councils Grant-in-Aid Rules, 2007.
LAO, LADC	86	23	42.80	(i) Sub-vouchers/APR/Muster Roll totalling ₹ 4.68 lakh were not made available by nine VCs for audit check. (ii) Assets register was not maintained by any of the VCs as required under Para 9(1) of the Mizoram Village Councils Grant-in-Aid Rules, 2007.
Total	465	157	321.37	

Source: Departmental records

It could be seen from the above table that the important records like cash book, bank pass book, vouchers and other important registers were not properly maintained in the 157 Village Councils and Lai Autonomous District Council. Due to non-maintenance of registers/records the risk of misappropriation could not be ruled out.

The Director, LAD stated (June 2015) that the Department has taken necessary action to upgrade the skill of Secretaries/Treasurers of Village Councils responsible for maintenance of records/accounts through trainings conducted by DLAOs/LAOs concerned. Further, Accounts Assistants are engaged to assist Village Councils for maintaining the accounts.

4.3 Conclusion

There was a delay of 63 days in the release of ThFC grants to RLBs by the Local Administration Department. Further, the State Government did not release penal interest of ₹ 23.00 lakh for delay in release of grants to the RLBs. Further, Village Councils incurred an excess expenditure of ₹ 74.60 lakh due to inclusion of contractors profit in the estimates on execution of 474 minor works departmentally. Besides, the DLAO, Champhai authorized the Village Councils to execute 105 minor works without preparation of detailed estimates.

4.4 Recommendations

- ThFC grants should be released to the implementing agencies within the stipulated time.
- The contractor's profit of 10 *per cent* should not be included in the estimate of the works executed departmentally.
- The district level officer should ensure that the Village Councils maintain relevant registers/records.



Aizawl
The 04 September 2015

(Hautinlal Suantak)
Deputy Accountant General (Audit), Mizoram

Countersigned



Aizawl
The 04 September 2015

(L. Tochhawng)
Principal Accountant General (Audit), Mizoram



APPENDICES



APPENDICES

Appendix-1.1

Statement showing the list of functions and duties transferred/not transferred by the State Government to the Aizawl Municipal Council

(Reference: Paragraph-1.3, Page-3)

Sl. No.	List of functions and duties to be transferred	Status		Remarks
		Functions	Transferred under Notification	
1.	Town and country planning	(i) Urban Planning including Town Planning.	August 2013	-
	2.	Urban development	(ii) Urban Poverty Alleviation.	
(iii) Slum Improvement and Up-gradation.				
(iv) Regulation on land use and construction of buildings.			October 2012	
(v) Management of market sheds.			October 2012	
		(vi) Collection of property tax.		
3.	Water supply and sanitation	(vii) Solid waste management (sanitation).	September 2011	Water supply not transferred
4.	Transport system including regulation of traffic terminus	(viii) Management of transportation terminals. (ix) Management of parking lots.	May 2009	-
			May 2012	
5.	Welfare of the Scheduled Caste and Scheduled Tribes	(x) Planning for economic and social development.	August 2013	-
6.	Environmental safety and improvement	(xi) Providing of civic services & street vending.	September 2012	-
7.	Social forestry and plantation programme.	-	Not transferred	-
8.	Employment schemes and programmes.	-		-
9.	Health and family welfare	-		-
10.	Relief and social welfare including social security schemes and programmes	-		-
11.	Public works including road construction and housing	-		-
12.	Cottage and small scale industries, business and services including programme for skill development	-		-
13.	Education including primary education, adult education, vocational education, social education, non-formal education, audio-visual education and library services	-		-
14.	Food and supplies including rationing and distribution	-		-
15.	Civil Defence	-		-
16.	Fire protection and fire fighting	-		-
17.	Sports and youth services	-	-	

Source: Departmental records

Appendix-3.1
Statement showing delay in deposit of Property Tax
(Reference: Paragraph-3.2.1, Page-17)

Book No.	Period of Collection	Amount collected by the Revenue Assistants (in ₹)	Deposit made by the Revenue Assistants to the DDO			Delay in Deposit (in Days)
			Book No.	Date	Amount	
1	2	3	4	5	6	7
377	06.02.13 to 07.02.13	5148	377	05.04.13	5148	56
316	01.02.13 to 21.02.13	6494	316	05.04.13	6494	42
151	01.04.13 to 11.04.13	1900	151	19.04.13	1900	7
66	14.02.13 to 15.02.13	12280	66	22.04.13	12280	65
421	05.02.13 to 06.02.13	776	421	23.04.13	776	75
347	22.01.13 to 23.01.13	600	347	23.04.13	600	61
205	24.01.13 to 29.01.13	19133	205	29.04.13	19133	61
323	29.01.13 to 31.01.13	9798	323	29.04.13	9798	56
196	18.04.13 to 01.05.13	60782	196	14.05.13	60782	12
198	30.04.13 to 03.05.13	45270	198	14.05.13	45270	10
361	26.03.13 to 10.05.13	219988	361	29.05.13	219988	18
239	09.05.13 to 13.05.13	29520	239	21.05.13	29520	7
227	06.05.13 to 13.05.13	52136	227	29.05.13	52136	15
239	09.05.13 to 13.05.13	29520	239	21.05.13	29520	7
218	14.05.13 to 20.05.13	60921	218	29.05.13	60921	8
98	15.05.13 to 21.05.13	68307	98	29.05.13	68307	7
210	25.06.13 to 25.07.13	97648	210	03.03.14	97648	220
15	26.07.13 to 28.10.13	47014	15	12.02.14	47014	106
214	19.07.13 to 31.10.13	82957	214	11.11.13	82957	10
11	04.11.13	99053	11	12.11.13	99053	7
35	04.11.13	27330	35	13.01.14	27330	69
34	04.11.13 to 05.11.13	47780	34	13.01.14	47780	7
26	05.11.13 to 06.11.13	50214	26	13.01.14	50214	67
6	06.11.13 to 07.11.13	31057	6	19.12.13	31057	41
27	06.11.13 to 07.11.13	71619	27	13.01.14	71619	66
145	21.04.13 to 10.11.13	46640	145	15.04.13	46640	155
28	07.11.13 to 13.11.13	55761	28	22.01.14	55761	79
15	06.11.13 to 18.11.13	106112	15	19.12.13	106112	30
10	07.11.13 to 26.11.13	107432	10	19.12.13	107432	22
19	26.11.13 to 26.11.13	48609	19	16.12.13	48609	19
17	18.11.13 to 27.11.13	146022	17	16.12.13	146022	18

1	2	3	4	5	6	7
20	26.11.13 to 27.11.13	23271	20	16.12.13	23271	18
37	27.11.13 to 27.11.13	50653	37	22.01.14	50653	55
8	26.11.13 to 28.11.13	69793	8	19.12.13	69793	20
50	26.11.13 to 28.11.13	60310	50	08.01.14	60310	40
9	28.11.13 to 28.11.13	72906	9	19.12.13	72906	20
42	28.11.13 to 28.11.13	44037	42	22.01.14	44037	54
44	28.11.13 to 28.11.13	13142	44	19.12.13	13142	20
29	07.10.13 to 16.12.13	34020	29	12.02.14	34020	57
25	27.11.13 to 17.12.13	69293	25	20.01.14	69293	33
272	01.07.13 to 10.01.14	12143	272	12.02.14	12143	32
22	28.11.13 to 13.01.14	97189	22	28.01.14	97189	14
23	13.01.14 to 23.01.14	57630	23	31.01.14	57630	7
31	16.10.13 to 28.01.14	52780	31	07.02.14	52780	9
40	28.01.14 to 11.02.14	72933	40	18.03.14	72933	34
63	20.02.14 to 20.02.14	65932	63	19.03.14	65932	26
62	20.02.14 to 21.02.14	84301	62	19.03.14	84301	25
73	25.02.14 to 26.02.14	90330	73	11.03.14	90330	12
82	27.02.14 to 28.02.14	55135	82	18.03.14	55135	17
91	10.03.14 to 11.03.14	50152	91	19.03.14	50152	7
105	10.03.14 to 11.03.14	74250	105	19.03.14	74250	7
106	10.03.14 to 11.03.14	84702	106	19.03.14	84702	7
107	11.03.14 to 11.03.14	113476	107	19.03.14	113476	7
108	11.03.14 to 11.03.14	63169	108	19.03.14	63169	7
111	11.03.14 to 11.03.14	39565	111	19.03.14	39565	7
133	14.03.14 to 14.03.14	65501	133	26.03.14	65501	11
150(B)	14.03.14 to 14.03.14	180	150(B)	27.03.14	180	12
65	20.02.14 to 17.03.14	33671	65	26.03.14	33671	8
69	05.03.14 to 17.03.14	27299	69	26.03.14	27299	8
66	05.03.14 to 18.03.14	40389	66	26.03.14	40389	7
Total		3305973			3305973	

Source: Departmental records

Appendix-4.1
Statement showing excess expenditure
(Reference: Paragraph-4.1.3, Page-21)

(₹ in lakh)

Name of office	No. of VCs	No. of works	Estimated / Sanctioned cost	Estimate to be restricted (Estimated cost minus 10 per cent Contractors' profit)	Expenditure incurred	Excess expenditure
Aizawl	91	94	162.72	147.93	162.72	14.79
Kolasib	45	51	91.72	83.38	91.72	8.34
Champhai	105	105	193.14	175.58	193.14	17.56
Lunglei	138	138	235.86	214.42	235.86	21.44
LADC	86	86	137.16	124.69	137.16	12.47
Total	465	474	820.60	746.00*	820.60	74.60
				*(820.60 lakh x 100 / 110 = 746.00 lakh)		

Source: Departmental records