



सत्यमेव जयते

Annual Technical Inspection Report
on
Panchayati Raj Institutions and Urban Local Bodies
for the year ended 31 March 2017

GOVERNMENT OF MANIPUR



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT), MANIPUR
IMPHAL

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on
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for the year ended 31 March 2017

Government of Manipur

Office of the Principal Accountant General (Audit), Manipur
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PREFACE

This Report for the year ended 31 March 2017 has been prepared for submission to the Government of Manipur in terms of Technical Guidance and Support to audit of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) under Section 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

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

The issues noticed during test audit for the period 2016-17 as well as those issues which came to notice in earlier years, but could not be dealt with in the previous Reports have also been included in this Report, wherever necessary.

The audit has been conducted in conformity with Auditing Standards issued by the Comptroller and Auditor General of India.

Overview

OVERVIEW

This Report contains five chapters, Chapters I and IV contain an overview of the functioning, accountability mechanism and financial reporting issues of the Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) respectively. Chapter II contains a performance audit of the PRIs. Chapters III and V contain the results of compliance audit of the PRIs and ULBs respectively.

Chapter-I An Overview of the Panchayati Raj Institutions

The two-tier Panchayati Raj system envisaged in the Manipur Panchayati Raj (MPR) Act, 1994 came into force with effect from 24 June 1994. Accordingly, two-tier PRI system at the village (Gram Panchayats) and district levels (Zilla Parishads) was established in the State, and Rules were framed to enable the PRIs to function as per the Constitutional mandate.

Paragraph 1.1

Transfer of funds, functions and functionaries to PRIs with regard to 29 subjects listed in the XIth Schedule of the Constitution of India was inadequate. Due to non-transfer/partial transfer of funds and functionaries, the PRIs were not able to perform the functions assigned to them effectively and efficiently.

Paragraph 1.3

Though District Planning Committees were constituted in four districts they were not made functional as of March 2017.

Paragraph 1.4.1

The State Government established Manipur Social Audit Agency in January 2014. However, the Social Audit Agency was yet to be fully functional.

Paragraph 1.7.2

There was shortfall in release of fund to PRIs during 2016-17 against the recommendation of the IIIrd Manipur State Finance Commission by 85.21 *per cent*.

Paragraph 1.8.3

None of the test checked PRIs maintained their accounts as per the Model Accounting System (MAS) prescribed by Ministry of Panchayati Raj, Government of India in consultation with the CAG of India.

Paragraph 1.8.4

Chapter-II

Performance Audit on Utilisation of XIIIth and XIVth Finance Commission Grants by the Panchayati Raj Institutions

The performance audit on utilisation of XIIIth and XIVth Finance Commission (FC) grants by the Panchayati Raj Institutions (PRIs) brought out the following significant findings:

Grants under XIIIth FC were not released by Government of India at regular intervals due to delay in submission of Utilisation Certificates (UCs).

Paragraph 2.1.8.2

Interest for delay in transfer of Central Finance Commission (CFC) grants to the PRIs was not paid by the State Government.

Paragraph 2.1.8.3

The State Government forfeited Performance grants under XIIIth FC of ₹ 19 crore due to non-fulfillment of eligibility conditions for drawal of the grant.

Paragraphs 2.1.8.4

None of the selected PRIs prepared Annual Plans for the development of the Panchayat area thereby resulting in execution of the works without any proper planning.

Paragraphs 2.1.9.1

Prescribed quantity of materials were not utilized in the execution of 102 test checked works undertaken under XIIIth and XIVth FC grants.

Paragraphs 2.1.10.4

Central Finance Commission grant amounting to ₹ 65.38 lakh were diverted towards payment of salary of Accountant cum Data Entry Operator (ADEO) of GPs.

Paragraphs 2.1.10.7

Chapter-III

Compliance Audit of Panchayati Raj Institutions

Bishnupur Zilla Parishad did not deduct VAT to the tune of ₹ 7.62 lakh on implementation of MGNREGS.

Paragraph 3.1

Fifteen Gram Panchayats had withdrawn an amount of ₹ 1.88 crore from banks through self-cheques during 2015-16 in contravention of the Government's order.

Paragraph 3.2

Sekmajin Gram Panchayat made payment of ₹ 37.47 lakh against a work for which vouchers amounting ₹ 10.38 lakh were not available.

Paragraph 3.3

Chapter-IV

An Overview of the Urban Local Bodies

In Manipur, Urban Local Bodies (ULBs) are spread out in the six valley districts of the State and are governed by the Manipur Municipalities Act (MMA), 1994 which specify the obligatory and discretionary functions to be discharged by the ULBs.

Paragraph 4.1

Out of 18 subjects required to be transferred to ULBs as listed in the XIIth Schedule of the Constitution of India, functions related to ten subjects are being performed by ULBs in the State.

Paragraph 4.4

There was shortfall of 100 *per cent* in actual release of fund during 2016-17 to ULBs against the recommendation of the IIIrd Manipur State Finance Commission.

Paragraph 4.10.2

The Manipur Municipalities Act, 1994 stipulates that every ULB is mandated to maintain its accounts as prescribed in the National Municipal Accounts Manual (NMAM). However, none of the test-audited ULBs prepared annual accounts or adopted NMAM as of March 2017.

Paragraph 4.10.3

Chapter-V

Compliance Audit of Urban Local Bodies

Kakching Municipal Council diverted IInd State Finance Commission grants of ₹ 21.70 lakh meant for purchase of land for Solid Waste dumpsite and land development for construction of office building.

Paragraph 5.1

Bishnupur Municipal Council diverted XIIIth Finance Commission grants of ₹ 4.11 lakh meant for development works towards 'Construction of Vehicles Garage at Municipal Campus'.

Paragraph 5.2

Moirang Municipal Council executed various works amounting ₹ 1.59 crore without record measurement in the Measurement Book.

Paragraph 5.3

There was short realization of rent by Thoubal Municipal Council to the tune of ₹ 8.83 lakh.

Paragraph 5.4

The Imphal Municipal Corporation (IMC) made payment of honorarium to the Chairperson, Vice-chairperson and Councillors at the rate above the prescribed rate resulting in excess payment of ₹ 9.68 lakh.

Paragraph 5.5

Part - A
Panchayati Raj Institutions

CHAPTER-I

An overview of the functioning, accountability mechanism and financial reporting issues of the Panchayati Raj Institutions

CHAPTER-I An Overview of the Panchayati Raj Institutions

An overview of the functioning of the Panchayati Raj Institutions in the State

1.1 Introduction

The Constitution of India (Seventy-Third Amendment Act 1992) marked a new era in the federal democratic set up of the country as it conferred Constitutional status to the Panchayats and recognized them as the third tier of Government. The Constitutional Amendment provides for devolution of powers and responsibilities to Panchayati Raj Institutions (PRIs) with respect to preparation of plans and programmes for economic development and social justice with regard to 29 subjects listed in the XIth Schedule of the Constitution of India. This Amendment also established a system of uniform structure, holding of regular election, and regular inflow of funds to PRIs through Finance Commissions. As a follow up, the State enacted the Manipur Panchayati Raj (MPR) Act, 1994. A two-tier PRI system at the village (Gram Panchayats) and district levels (Zilla Parishads) was established in the State, and Rules were framed to enable the PRIs to function as per the Constitutional mandate.

The two-tier Panchayati Raj system envisaged in the MPR Act, 1994 came into force with effect from 24 June 1994. The first General Election to the Zilla Parishads (ZPs) and Gram Panchayats (GPs) was held in 1997. Since then, General Elections for the Panchayats have been held every five years. The last elections were held in October 2017. There were 16 districts in the State as on 31 March 2017, of which 10 districts were located in the hill areas and six districts were spread out in the valley. PRIs in the State are spread out in six valley districts.

Manipur is situated in the North Eastern part of India. The State covers an area of 22,327 sq km with a total population of 28.56 lakh (2011 census). The rural population of the State was 20.22 lakh which was 70.79 *per cent* of the total population (2011 census). As against the decadal growth of 17.6 *per cent* at the national level, the population of the State grew by 12.05 *per cent* in the decade of 2001-2011. The service sectors along with the agricultural sector dominate the State's economy. The demography of the State as per 2011 Census is given in **Table No. 1.1**:

Table No. 1.1 Statistics of the State

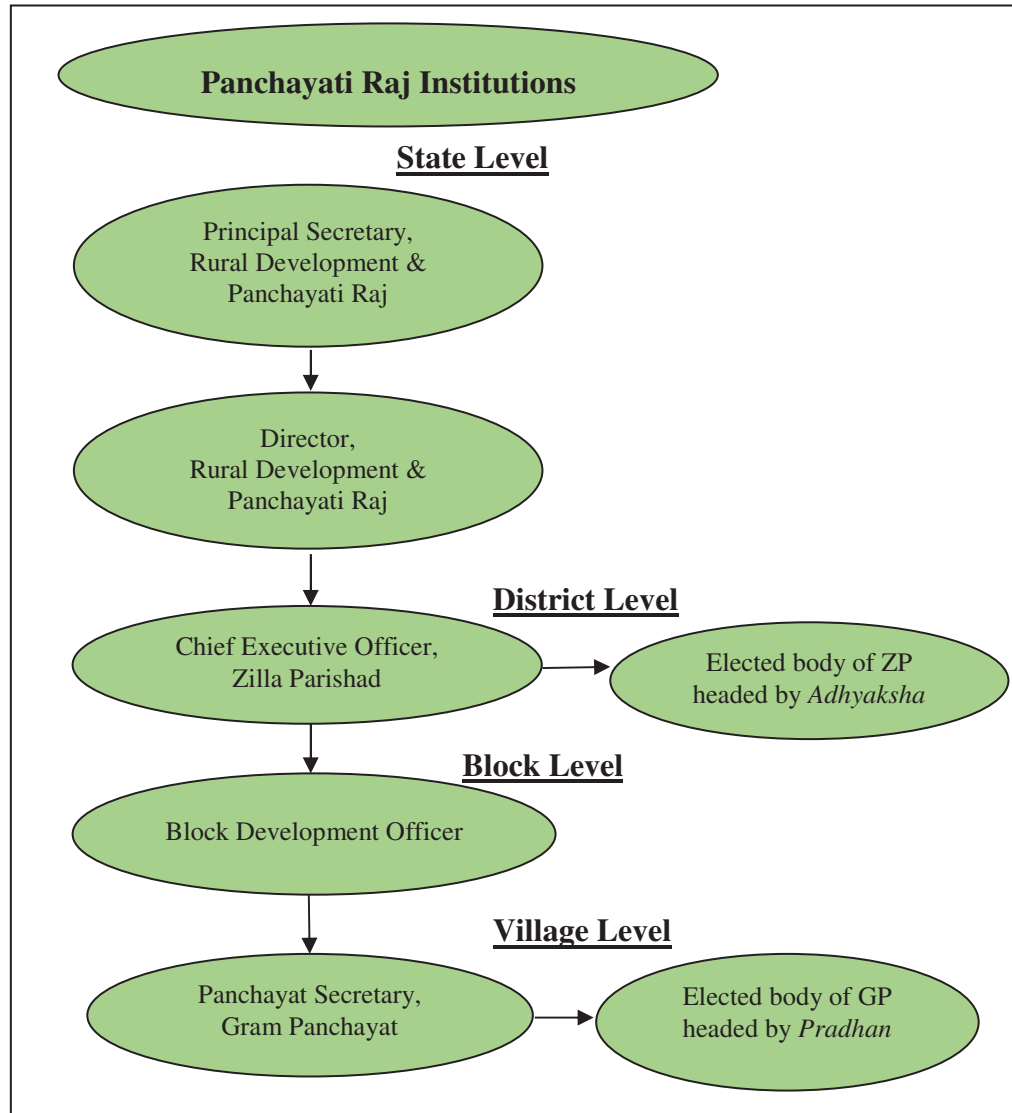
| Sl. No. | Indicator | Unit | Value |
|---------|----------------------------|-----------------------|-------|
| 1 | Population | 1,000s | 2,856 |
| 2 | Density of population | Persons per sq. Km. | 128 |
| 3 | Gender Ratio | Female per 1000 males | 992 |
| 4 | Gender Ratio (Rural) | Female per 1000 males | 976 |
| 5 | Literacy | Percentage | 76.94 |
| 6 | Number of Zilla Parishads* | Numbers | 6 |
| 7 | Number of Gram Panchayats | Numbers | 161 |

Source: Census 2011 and Departmental Records

* After creation of seven new districts in the State (December 2016) the number of ZPs increased to 6.

1.2 Organization setup of Panchayati Raj Institutions

The organizational setup of PRIs in the State is as under:



1.2.1 The broad details of responsibility of PRIs functionaries are given in Table No. 1.2:

Table No. 1.2 Details of responsibility of PRIs functionaries

| Functionaries | Responsibilities |
|-------------------------------|-----------------------------------------------------------------------------------------------------|
| Principal Secretary (RD&PR) | Administers the overall monitoring and implementation of schemes relating to PRIs. |
| Zilla Parishad (elected body) | Preparation of Plan for economic development and social justice of the district. |
| Chief Executive Officer (CEO) | The CEO is appointed by the State Government and carries out the policies and directives of the ZP. |
| Gram Panchayat (elected body) | Preparation of Annual Plan, Annual Budget and implementation of schemes related to PRIs etc. |
| Panchayat Secretary (PS) | The PS is appointed by the State Government for keeping of records and maintenance of Accounts. |

Source: Departmental Records

1.2.2 Composition of Panchayati Raj Institutions

Zilla Parishad (ZP): Every ZP is a body which consists of members directly elected from the territorial constituencies in the district. The *Adhyaksha* elected by the majority of the elected members presides over and conducts meeting of the ZP. The *Adhyaksha* is to exercise such other powers, perform such other functions and discharge such other duties as notified by the State Government from time to time.

Gram Panchayat (GP): Each GP has a body comprising *Pradhan* and its members. The *Pradhan* and its members are elected by direct election by the members of the Gram Sabha from amongst themselves. The *Pradhan* shall preside over the meeting of the Gram Sabha of Gram Panchayat and is also responsible for governance of the body.

1.2.3 Staffing Pattern of Panchayati Raj Institutions

The Government may, by order, specify the staffing pattern, the scales of pay and mode of recruitment of the staff of GPs and ZPs. As per provision under Section 75 of MPR Act, 1994, the State Government shall appoint Chief Accounts Officer, Chief Planning Officer and such number of officers of Groups A, B and C staff for each ZP on such terms and conditions as may be prescribed. However, no appointments against these posts were made as of March 2017.

Zilla Parishad: Each ZP is manned with staff deputed from different Departments as a part of devolution of functionaries. However, there was deployment of staff while sanctioned strength has not been prescribed by the State Government in six ZPs. The position of staff in the six ZPs as of March 2017 is detailed in **Table No. 1.3**:

Table No. 1.3 ZP-wise staff position

| Sl. No. | Name of the ZP | Sanctioned Strength | Persons-in-position |
|--------------|----------------|---------------------|---------------------|
| 1 | Imphal East | 0 | 23 |
| 2 | Imphal West | 0 | |
| 3 | Thoubal | 0 | |
| 4 | Bishnupur | 0 | |
| 5 | Kakching | 0 | |
| 6 | Jiribam | 0 | |
| Total | | | 23 |

Source: Departmental Records

The ZP wise person-in-position had not been furnished by the Rural Development and Panchayati Raj (RD&PR) Department. The Department stated that there was no sanctioned strength or post for the Zilla Parishads. These PRIs are manned by the functionaries/staff deputed from line Departments under the devolution of power to PRIs. A Manipur Civil Service (MCS) officer is deputed to each ZP by the Government as Chief Executive Officer (CEO) to look after the affairs of the ZP offices.

Gram Panchayat: As per Section 45 of the MPR Act, 1994, there shall be a Panchayat Secretary for every Gram Panchayat who shall be appointed in such

manner as may be prescribed by the Act/Rules. The Department intimated (September 2017) that all the sanctioned strength of 161 Panchayat Secretaries have been occupied. However, it is evident from the findings contained in Chapter I and III of this Report that in spite of deployment of sufficient staff by the Government in the GPs, effective functioning for implementation of schemes and maintenance of accounts by the PRIs was not satisfactory which is the key function of GP Secretary.

1.3 Functioning of Panchayati Raj Institutions

The Constitution of India (Seventy-Third Amendment Act 1992) and the MPR Act, 1994 envisaged devolution of power and responsibilities to PRIs with regard to the 29 subjects listed in the XIth Schedule of the Constitution. Accordingly, the State Government had to transfer funds, functions and functionaries related to all the 29 subjects to PRIs. The State Government had devolved certain functions related to only 16 subjects to PRIs in 2005. However, there was non-transfer/partial transfer of funds and functionaries related to the transferred subjects. There has been no change in the status of transfer of funds, functions and functionaries since the order was issued in 2005. Details of functions of 16 subjects to be transferred to ZPs and GPs are shown in *Appendix-1.1*. The status on the transfer of funds and functionaries in respect of 16 subject to ZPs and GPs as on 31 March 2017 is shown in *Appendix-1.2*.

Audit observed that transfer of funds, functions and functionaries was inadequate to enable them to function as institutions of local self-government. Due to non-transfer/partial transfer of funds and functionaries, the PRIs were not able to perform the functions assigned to them effectively and efficiently.

1.4 Formation of various committees

Under Sections 38 and 65 of the MPR Act, 1994, the Gram Panchayats and the Zilla Parishads are required to constitute Standing Committees in order to perform the functions assigned to them as detailed in **Table No. 1.4**:

Table No. 1.4 Details of Standing Committees

| Level of PRIs | Chief Political Executive | Standing Committees | Political Executives |
|---------------|---------------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| GP | <i>Pradhan</i> | (a) Production Committee (b) Social Justice Committee (c) Amenities committees | <i>Pradhan</i> is the Chairman of each Committee. |
| ZP | <i>Adhyaksha</i> | (a) General Standing Committee (b) Finance, Audit and Planning Committee | <i>Adhyaksha</i> is the Chairman of each Committee. |
| | | (c) Social Justice Committee | <i>Up-Adhyaksha</i> is the Chairman. |
| | | (d) Education and Health Committee (e) Agriculture and Industries Committee (f) Works Committee | Chairman is elected from the members of these Committees. |

Source: The Manipur Panchayati Raj Act, 1994

In case of GP, each Committee shall consist of not less than three and not more than five members including the *Pradhan* and *Up-Pradhan* as the case may be. In ZP, each Standing Committee shall consist of such number of members not exceeding five including the Chairman elected by the members of ZP. The Department stated (September 2017) that Standing Committees had been constituted. However, proper initiation and follow up of functions like Education, Agriculture and Amenities *etc.* in a systematic way was not observed. Consequently, these activities are not getting adequate focus as envisaged. The PRIs-wise roles and responsibilities of the Standing Committees are given in *Appendix-1.3*.

1.4.1 District Planning Committee

In terms of Article 243 ZD of the Constitution of India and Section 96 of the MPR Act, 1994, the State Government is required to constitute a District Planning Committee (DPC) in each district. The function of the DPC *inter-alia* includes consolidating the plans prepared by the Panchayats and Municipalities in the district and prepare a draft development plan for the district as a whole. The DPC was constituted in Imphal East, Imphal West, Thoubal and Bishnupur districts. DPCs were not yet constituted in the two newly created districts *viz.* Kakching and Jiribam. As per the MPR Act, 1994, the DPC shall consist of the following members:

- (a) *Adhyaksha* of the Zilla Parishad (Chairperson);
- (b) Members of the House of the People representing the district;
- (c) Members of Legislative Assembly who are elected in the district;
- (d) Such number of Councillors as may be specified by the Government from among the members of Councillors of Nagar Panchayat and Municipal Councils in the district; and
- (e) Chief Executive Officer of the ZP.

However, the DPCs constituted in four districts were not yet functional as of March 2017. Perspective and annual plans in respect of the GPs under the four districts were prepared. However, none of the DPCs had engaged technical experts and secretarial support staff in different fields for consolidation of draft district development plan. The purpose of constitution of the DPCs was thus, defeated.

1.5 Audit arrangement

1.5.1 Primary Auditor

The Director, Local Fund Audit (DLFA), Government of Manipur is the Primary Auditor for PRIs and conducts audit of accounts of GPs and ZPs under Sections 44(1) and 74(1) of the MPR Act, 1994. The duty of the DLFA is to conduct audit of the accounts of PRIs and to forward its Audit Reports to the audited entities and the State Government.

The DLFA intimated (April 2017) that 66 PRIs were audited during 2016-17. The Director further intimated that Annual Inspection Report for 2015-16 was prepared and placed before the State Legislature during July 2016. As per terms

and conditions of Technical Guidance and Support (TG&S) entrustment, the Accountant General (Audit) would also monitor the quality of the Inspection Reports (IRs) issued by the local fund auditor by scrutinising such IRs. The DLFA was requested to furnish the list of units planned to be audited quarterly and those audited during same quarter so that Audit could test check some of the IRs by sampling from the list so furnished. However, DLFA did not furnish the requisite information. As such, the IRs issued by DLFA could not be monitored and suggestions for improvement of the existing system under TG&S arrangement could not be provided to DLFA.

1.5.2 Audit by Comptroller and Auditor General of India

The State Government has entrusted (March 2012) audit of PRIs to the Comptroller and Auditor General of India (CAG) under Technical Guidance and Support (TG&S) arrangement under Section 20(1) of the CAG's Duties, Power and Conditions of Service (DPC) Act, 1971. Accordingly, audit of the accounts of the PRIs are being conducted by CAG. The result of audit are being featured in the Annual Technical Inspection Report (ATIR) and submitted to the State Government for necessary action. ATIRs for the years 2011-12 to 2015-16 were placed before the State Legislature by the State Government as per the terms and conditions of the TG&S arrangements.

As per paragraph 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 on the line of Public Accounts Committee for discussion of the Audit Report on Local Bodies. However, there was no separate Committee in the State Legislature for discussion of ATIR in Manipur. The ATIR for the year ended 31 March 2012 was discussed by the Public Accounts Committee (PAC) of Manipur State Legislature. However, ATIRs for the years 2012-13 to 2015-16 were yet to be discussed (July 2018).

This Report for the year ended 31 March 2017 contains the result of audit of accounts of 23 test checked PRIs units (4 ZPs and 19 GPs) out of 167 PRIs units (6 ZPs and 161 GPs) in the State.

1.6 Response to audit observations

The position of outstanding Inspection Reports (IRs) of the audit of PRIs during 2012-13 to 2016-17 is shown in **Table No. 1.5**:

Table No. 1.5 Details of IRs and outstanding paragraphs in respect of PRIs

| Year | IRs | Paragraphs | Money Value (₹ in lakh) |
|--------------|------------|------------|-------------------------|
| 2012-13 | 30 | 137 | 0 |
| 2013-14 | 25 | 183 | 317.56 |
| 2014-15 | 26 | 157 | 540.18 |
| 2015-16 | 4 | 17 | 67.06 |
| 2016-17 | 23 | 135 | 2,545.80 |
| Total | 108 | 629 | 3,470.60 |

As can be seen from the above table, 108 IRs containing 629 paragraphs involving money value of ₹ 34.71 crore issued during the last five years were

yet to be settled. Replies to most of the IRs pertaining to the last five years were not furnished despite issue of reminders and attempts made through review during subsequent audits.

Accountability Mechanism and Financial Reporting Issues

1.7 Accountability mechanism

1.7.1 Ombudsman

The XIIIth Finance Commission recommended for the constitution of a Local Body Ombudsman to look into the complaints of corruption and maladministration against the functionaries of Local Bodies – both elected representatives and officials and to recommend suitable action. This in turn requires enactment of legislation and its notification.

The Director, RD&PR, Government of Manipur stated (September 2017) that the Ombudsman was not yet constituted in the State. Reason for non constitution of Ombudsman was called for (December 2017). However, no reply was received (July 2018).

1.7.2 Social Audit

The Government of India framed a set of rules and regulations titled the “Audit of Scheme Rules– 2011” under Section 24(1) of the MGNREG Act, 2005 for guiding the process by which Social Audits should be conducted. The State Government should facilitate conduct of Social Audit of the works taken up under the Act in every Gram Panchayat at least once in six months in the prescribed manner. The summary of such findings should be submitted by the State Government to the CAG of India. The primary objective of Social Audit is to bring the activities of PRIs under close surveillance of the people to enable them to access the records and documents of PRIs. Such immediate access to information would facilitate transparency and accountability in day-to-day functioning of PRIs.

The State Government established the Manipur Social Audit Agency (Agency) in January 2014 and identified MGNREGS and Indira Awas Yojana (IAY) schemes for social audit. However, the Agency stated (September 2017) that no Social Audit was conducted.

The Agency further stated (December 2017) that Social Audit was not conducted as there were no sufficient staff. Recently, one State Resource Person (SRP) and nine District Resource Persons (DRPs) had joined and reported for duty following which the Agency had become partially functional. However, no time frame was set for conduct of Social Audit.

In the absence of Social Audit, correctness and reliability of financial reporting at the grass root level of PRIs could not be verified and reported. Further, platform to seek and obtain information and responses from those involved in the implementation of the Scheme could not be provided to the villagers.

1.7.3 Lok Ayukta

The XIIIth Finance Commission recommended that where all or a class of elected representatives or officials fall under the jurisdiction of the Lok Ayukta of the State, the State may decide whether those functionaries should be shifted to the Ombudsman or to continue under the jurisdiction of the Lok Ayukta.

The Director (RD&PR), Government of Manipur stated (September 2017) that there is no Lok Ayukta in the State. Reason for non-constitution of Lok Ayukta was called for (December 2017). However, no reply was received (July 2018).

1.7.4 Submission of Utilization Certificates

As per guidelines for release and utilization of grant recommended under XIVth Finance Commission Award (XIVth FCA), the 1st instalment shall be released unconditionally. Further instalments would be released by the Ministry of Finance after receipt of the Utilization Certificates (UCs) for the previous instalment in the prescribed format. Information regarding the submission of Utilization Certificates by the PRIs under Central Finance Commission during 2015-16 and 2016-17 is shown in **Table No. 1.6**:

Table No. 1.6 Submission of UCs under XIVth Finance Commission

(₹ in crore)

| Sl. No. | Year | Fund released to PRIs during the year | Fund Utilised | Utilisation Certificates submitted | Pending Utilisation Certificates |
|--------------|---------|---------------------------------------|---------------|------------------------------------|----------------------------------|
| 1 | 2015-16 | 28.22 [#] | 28.22 | 28.22 | - |
| 2 | 2016-17 | 34.84 | 34.84 | 15.40 | 19.44 |
| Total | | 63.06 | 63.06 | 43.62 | 19.44 |

Source: Data consolidated from the data received from RD&PR Department

[#] Includes ₹5.97 crore for the year 2014-15 under XIIIth FC released in April 2015

However, the proper time frame for submission of UCs was not mentioned by the IInd Manipur State Finance Commission. In the absence of specific time frame for submission of UCs under SFC, proper monitoring of funds utilised by the PRIs during the year 2016-17 could not be ensured. The position of submission of UCs under SFC is shown in **Table No. 1.7**:

Table No. 1.7 Submission of UCs under State Finance Commission

(₹ in crore)

| Sl. No. | Year | Fund released to PRIs during the year | Fund Utilised | Utilisation Certificates submitted | Pending Utilisation Certificates |
|---------|---------|---------------------------------------|---------------|------------------------------------|----------------------------------|
| 1 | 2016-17 | 23.53 | 23.53 | Nil | 23.53 |

Source: Data consolidated from the data received from RD&PR Department

As evident from the above tables, UCs amounting to ₹ 19.44 crore and ₹ 23.53 crore in respect of Central Finance Commission and State Finance Commission respectively were pending during 2016-17 as on 31 March 2017. Reason for pendency of Utilisation Certificates was called for (December 2017). However, the reply was not received (July 2018).

1.7.5 Internal Audit and Internal Control System of Panchayati Raj Institutions

As per Section 44(1) read with Section 74(1) of the MPR Act 1994, the accounts of a Gram Panchayat and Zilla Parishad shall be audited by the DLFA, Government of Manipur in such manner as may be prescribed and a copy of the audit report shall be forwarded to the Gram Panchayat/Zilla Parishad within one month of completion of the audit. The Act *ibid* is however silent about Internal Audit in PRIs.

Proper internal control mechanism ensures the proper maintenance of records and smooth implementation of various schemes/programmes. Audit noticed that in the absence of Internal Audit, the internal control mechanism was weak as discussed in **Paragraph No.1.8.4**.

1.8 Financial reporting issues

1.8.1 Source of Funds

The sources of funds to PRIs consist of Central Finance Commission (CFC) grants, State Finance Commission (SFC) grants, Central Government and State Government grants for implementation of schemes, maintenance and other development purposes. Funding by the State Government was on the lines of accepted recommendations of the Second State Finance Commission that took into account factors like population, literacy, health, irrigation, medical facilities *etc.* The Director, RD&PR reported (May 2018) that an amount of ₹ 75 lakh was directly given by General Insurance Corporation of India to two GPs¹ during the years 2015-16 and 2016-17, without routing it through the State Government. The fund-wise source and its custody for each tier and the fund flow arrangements in flagship schemes are given in **Table No. 1.8**. The authorities for reporting use of funds in respect of ZPs and GPs are Chief Executive Officer (CEO) and Panchayat Secretary respectively.

Table No. 1.8 Fund flow mechanism in PRIs

| Nature of Fund | ZPs | | GPs | |
|-------------------------------------------------------|---------------------|-----------------|---------------------|-----------------|
| | Source of fund | Custody of fund | Source of fund | Custody of fund |
| Own receipts | Assessee and users | Bank | Assessee and users | Bank |
| Revenue grants | State Government | Bank | State Government | Bank |
| State Finance Commission | | | | |
| State Plan Scheme | | | | |
| Central Finance Commission/Centrally Sponsored Scheme | Government of India | Bank | Government of India | Bank |

Source: Departmental records

1.8.2 Resources: Trends and composition

The fund flow arrangements and trends of resources of PRIs for the period 2012-13 to 2016-17 are shown in **Table No. 1.9**:

¹ Phayeng GP and Thanga Part-II GP.

Table No. 1.9 Time series data on resources of PRIs

(₹ in crore)

| Source of Fund | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|------------------------------------------------------------|---------------|---------------|--------------|--------------|--------------|
| Government of India grants for Centrally Sponsored Schemes | 214.04 | 70.45 | # | # | # |
| State grants for Centrally Sponsored Schemes | 25.88 | 11.77 | # | # | # |
| CFC grant | 7.79 | 12.57 | 65.39 | 28.22 | 34.84 |
| SFC grant | 20.62 | 20.62 | 15.62 | 23.68 | 23.53 |
| Salaries/Honorarium grants | 2.70 | 2.91 | 2.89 | 2.89 | 2.89 |
| Own Revenue | Nil | Nil | Nil | Nil | 0.21 |
| Direct funding without routing through State Government | # | # | # | 0.50 | 0.25 |
| Total | 271.03 | 118.32 | 83.90 | 55.29 | 61.72 |

Source: Data consolidated from the data received from RD&PR Department
RD&PR Department could not furnish the fund received from these sources

1.8.3 Recommendations of the State Finance Commission (SFC)

After the enactment of the Constitution Seventy-Third Amendment Act, 1992, the State Government has so far constituted three SFCs to determine the principles on the basis of which adequate financial resources would be ensured for PRIs.

The IIIrd Manipur State Finance Commission (IIIrd MSFC) was constituted in February 2013 and covers a period of five years starting from 1 April 2013 to 31 March 2018. The report of the Commission was laid on the floor of the Assembly on 21 December 2015. As per the recommendations of IIIrd MSFC, the State Government is required to transfer 10 per cent of the State's own revenue including the State's share of Central taxes to the Local Bodies including the Autonomous District Councils (ADCs)². Out of this 10 per cent, 35.28 per cent is to be transferred to PRIs.

Funds pertaining to 2015-16 and 2016-17 were released on the basis of the recommendations of the IIIrd MSFC under the head 'Compensation and Assignment' (C&A). The position of fund released during 2015-16 and 2016-17 is shown in **Table No. 1.10**:

Table No. 1.10 Statement showing funds released under SFC

(₹ in crore)

| Year | State revenue including State share of net proceeds of Union taxes | Amount to be transferred to Local Bodies including ADCs (10 per cent) | Amount to be transferred to PRIs (35.28 per cent) | Amount actually released to PRIs | Short release against recommendation of SFC to PRIs | Percentage of short release |
|---------|--------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 = (4-5) | 7 |
| 2015-16 | 3842.34 | 384.23 | 135.55 | 23.68 | 111.87 | 82.53 |
| 2016-17 | 4508.60 | 450.86 | 159.06 | 23.53 | 135.53 | 85.21 |

Source: Finance Accounts, Government of Manipur and information consolidated from the data received from RD&PR Department

² Institution of local bodies in the ten hill districts of the State.

It is evident from the above table that actual release of funds by the State Government to the PRIs during 2015-16 and 2016-17 was lower than the recommendation of the IIIrd MSFC. Short release of funds to the PRIs would result in inadequate financial resources of the PRIs. Reasons for short release of funds were called for (December 2017). However, the reply was not furnished (July 2018).

1.8.4 Maintenance of Accounts by Panchayati Raj Institutions

Test check (April 2016– March 2017) of records of four ZPs and 19 GPs showed that Cash Book was the only accounting record maintained by the PRIs. Other basic records such as grants-in-aid register, bill register, advance register, stock receipt and issue register, *etc.* were not maintained in some GPs.

Sections 43 and 73 of MPR Act, 1994 stipulate that the accounts of GPs and ZPs shall be kept in such form and manner as may be prescribed. Authority responsible to certify the accounts of the PRIs was not provided in the Act. The Ministry of Panchayati Raj, Government of India in consultation with the Comptroller and Auditor General of India had prescribed the Model Accounting System (MAS) to be adopted by the PRIs. The State Government also agreed to adopt the system of accounts in MAS for all the PRIs with effect from April 2013. However, none of the test checked PRIs either prepared or adopted the prescribed form of accounts as of March 2017.

1.9 Conclusion

The State Government was yet to appoint officers and staff in Zilla Parishads for discharge of important key functions of the PRIs. There was non-transfer/partial transfer of funds, functions and functionaries and as such PRIs were unable to discharge their important functions effectively and efficiently. Though the Department stated that Standing Committees (SC) were constituted, significant functioning and activities of the SCs could not be observed during the course of audit. As the District Planning Committees (DPCs) in the four districts were non-functional, draft development plan could not be prepared. There was shortfall in release of funds to PRIs with respect to the IIIrd Manipur State Finance Commission recommendations. None of the test checked PRIs either prepared or adopted Model Accounting System (MAS) for maintenance of accounts as prescribed.

1.10 Recommendations

The State Government may consider to:

- Devolve power to PRIs (funds, functions and functionaries) as envisaged in the Constitution (Seventy-Third Amendment);
- Ensure that each DPC prepares a development plan and sends it to the Government;
- Transfer funds to PRIs as per IIIrd Manipur State Finance Commission; and
- Ensure preparation of Annual Accounts at all levels of PRIs as per format prescribed in Model Accounting System.

CHAPTER-II

Performance Audit of Panchayati Raj Institutions

CHAPTER-II

Performance Audit of Panchayati Raj Institutions

RURAL DEVELOPMENT AND PANCHAYATI RAJ DEPARTMENT

2.1 Performance Audit on Utilisation of XIIIth and XIVth Finance Commission Grants by the Panchayati Raj Institutions

Highlights

The performance audit on utilisation of XIIIth and XIVth Finance Commission (FC) grants by the Panchayati Raj Institutions (PRIs) brought out the following significant findings:

Grants under XIIIth FC were not released by Government of India at regular intervals due to delay in submission of Utilisation Certificates (UCs).

Paragraph 2.1.8.2

Interest for delay in transfer of Central Finance Commission (CFC) grants to the PRIs was not paid by the State Government.

Paragraph 2.1.8.3

The State Government forfeited Performance grants under XIIIth FC of ₹ 19 crore due to non-fulfillment of eligibility conditions for drawal of the grant.

Paragraphs 2.1.8.4

None of the selected PRIs prepared Annual Plans for the development of the Panchayat area thereby resulting in execution of the works without any proper planning.

Paragraphs 2.1.9.1

Prescribed quantity of materials were not utilized in the execution of 102 test checked works undertaken under XIIIth and XIVth FC grants.

Paragraphs 2.1.10.4

Central Finance Commission grants amounting to ₹ 65.38 lakh were diverted towards payment of salary of Accountant cum Data Entry Operator (ADEO) of GPs.

Paragraphs 2.1.10.7

2.1.1 Introduction

The Central Finance Commission (CFC) is required to make recommendations on the measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayats and Municipalities. Subsequent to the passage of the 73rd and 74th Amendments to the Constitution of India in 1993, there has been considerable progress in devolution of funds to Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) through Finance Commissions' recommendations from time to time. The CFC grants form one of the main sources of receipts for the

PRIs in Manipur. The CFC grants are released by the Government of India (GoI) to the State Government for further release to PRIs and ULBs within a specified period.

During the years 2012-17, PRIs in Manipur received funds under XIIIth Finance Commission (XIIIth FC) as well as XIVth Finance Commission (XIVth FC). The XIVth FC had recommended funds only for the Gram Panchayats (GPs), no fund was allocated to the Zilla Parishads (ZPs).

Grant provided under the CFCs to Local Bodies is intended to be used to support and strengthen the delivery of basic civic services including water supply, sanitation including septic management, sewage and solid waste management, storm water drainage, maintenance of community assets, maintenance of roads, footpaths, street lighting, burial and cremation grounds and any other basic service within the functions assigned to them under relevant legislations.

There were 167 PRIs (6 Zilla Parishads and 161 Gram Panchayats) in Manipur as on 31 March 2017. The PRIs of the State are under the administrative control of Rural Development and Panchayati Raj (RD&PR) Department.

2.1.2 Organization setup of Panchayati Raj Institutions in Manipur

Principal Secretary, RD&PR is responsible for monitoring and implementation of scheme related to PRIs. He is assisted by Director RD&PR. There is a two-tier Panchayati Raj system in the State, *i.e.*, Zilla Parishad headed by Chief Executive Officer and Gram Panchayat headed by Panchayat Secretary. Both Zilla Parishad and Gram Panchayats have elected bodies headed by *Adhyaksha* and *Pradhan* respectively.

2.1.3 Audit Objectives

The Performance Audit on Utilisation of XIIIth and XIVth Finance Commission grants by PRIs was conducted to assess whether:

- The funds were transferred to the PRIs on time;
- There was proper planning for utilization of the funds;
- The funds were utilized as planned for the intended purposes; and
- The utilization was accounted for and monitored.

2.1.4 Scope of Audit

The audit covered the period of five years from 2012-13 to 2016-17. Out of 167 PRIs in the State, 33 PRIs (4 Zilla Parishads and 29 Gram Panchayats) were selected on the basis of Probability Proportional to Size Without Replacement (PPSWOR) Method with size measurable to grants received by the PRIs for test check. The selected PRIs (ZPs and GPs) are shown in **Appendix-2.1**.

2.1.5 Audit Methodology

The audit objectives and audit criteria were discussed with the Commissioner and Director, RD&PR, during an Entry Conference held in April 2017 followed by scrutiny of records at the selected GPs and ZPs, interaction with the Management, analysis of data with reference to audit criteria and raising of audit queries. The draft report was forwarded to the Department on 18 December 2017. The audit findings were discussed with the Directorate of RD&PR in an Exit Conference held on 9 July 2018. The response of the Department has been incorporated, wherever appropriate, in this Report.

2.1.6 Audit Criteria

Performance was benchmarked against provisions of the following:

- Guidelines issued by Ministry of Finance on utilisation of grants recommended by the XIIIth FC and XIVth FC;
- The Manipur Panchayati Raj Act, 1994 (MPR Act, 1994);
- The Manipur Gram Panchayat and Zilla Parishad (General) Rules, 1995 (MGPZP Rule, 1995);
- Instructions/ important circulars issued by State Government /Government of India;
- General rules and regulations followed in the State; and
- Manipur Public Works Department (MPWD) Works Manual, 2012.

2.1.7 Acknowledgement

Indian Audit and Accounts Department (IA&AD) acknowledges the cooperation extended by the State Government and PRIs in providing necessary information and records to Audit.

Audit findings

The findings of the performance audit on the utilization of XIIIth FC and XIVth FC grants by the PRIs are discussed in the succeeding paragraphs:

2.1.8 Financial Management

2.1.8.1 Fund flow and expenditure

The XIIIth FC covered the period 2010-15 and the XIVth FC covered the period 2016-20. The status of CFC grants received by PRIs during 2012-17 is shown in **Table No. 2.1:**

Table No. 2.1 Status of CFC grants received by PRIs during 2012-17

(₹ in crore)

| Year | Grants received | Expenditure | Balance |
|--------------|-----------------|---------------|--------------|
| 2012-13 | 7.79 | 7.79 | - |
| 2013-14 | 12.57 | 12.57 | - |
| 2014-15 | 65.39 | 65.39 | - |
| 2015-16 | 28.22 | 28.22 | - |
| 2016-17 | 34.84 | 15.40 | 19.44 |
| Total | 148.81 | 129.37 | 19.44 |

Source: RD&PR Department

During 2012-13 to 2016-17, the PRIs received ₹ 148.81 crore, out of which ₹ 129.37 crore was spent leaving a balance of ₹ 19.44 crore. General Performance Grant of ₹ 4.04 crore and General Basic Grant of ₹ 15.40 crore released by GoI during March 2017 were yet to be spent as on 31 March 2017 as they were released at the fag end of the year.

2.1.8.2 Delay in release of XIIIth Finance Commission grants by Government of India

As per guidelines issued by the Ministry of Finance, Government of India for utilization of grants of XIIIth FC, the General Basic Grant (GBG) will be released in two tranches, in July and January of every fiscal year, and General Performance Grant (GPG) once in a year during 2011-15. First installment of GBG for 2010-11 was released unconditionally. The release of the further installments was subject to submission of Utilisation Certificates (UCs) for the previous installment drawn. Since the funds under GBG were to be released in July and January, the UCs are required to be submitted before the due date (December and June) so that funds were released in time.

Similarly, as per guidelines issued by the Ministry of Finance, Government of India on implementation of the recommendations of the XIVth FC, the General Basic Grant (GBG) would be released in two installments, in June and October of every fiscal year, and General Performance Grant (GPG) once in a year during 2016-20. First installment of GBG 2015-16 was released unconditionally. And the release of the further installments would be subject to submission of UCs for the previous installment drawn. Since the funds under GBG were to be released in June and October, the UCs were required to be submitted before the due date (May and September) so that funds were released in time.

It was observed in audit that the grants under XIIIth FC were not released at regular intervals due to delay in submission of UCs. The UCs for 2nd installment for the year 2010-11, due in July 2011; submitted in August 2011 was not accepted by the Ministry on the ground that the State Government failed to transfer the interest portion for delay in transfer of funds to PRIs. The Ministry further directed (August 2011) the State to submit UCs along with the amount of interest transferred. Thereafter, the UCs along with the interest portion were submitted in July 2012 (after a delay of 12 months). Thus, failure on the part of the State Government to release the grants with interest and also failure to submit UCs on time resulted in a cascading effect on timely release of further installments till the last installment of XIIIth FC award. It was observed that seven installments amounting to ₹ 61.58 crore pertaining to the period from 2011-12 to 2014-15 were

released during May 2014 and February 2015 (Sl. No. 4 to 10) one after the other within a short span of 10 months as shown in **Table No. 2.2**:

Table No. 2.2 Delay in submission of UCs by the Government of Manipur

| Sl. No. | Year (Installment) | Amount (₹ in lakh) | Due date of release by GoI | Date of release by GoI | Due date of submission of UC | Date of submission of UCs | Delay in release by GoI (months) | Delay in submission of UC (months) |
|---------------------------------------------|----------------------------|--------------------|----------------------------|------------------------|------------------------------|---------------------------|----------------------------------|--------------------------------------------------------------------------------------------------|
| XIIIth Finance Commission | | | | | | | | |
| 1 | 2010-11 (1 st) | 560.45 | 31/07/2010 | 15/07/2010 | 31/12/2010 | 26/03/2011 | 0 | 3 |
| 2 | 2010-11 (2 nd) | 547.45 | 31/01/2011 | 30/03/2011 | 30/06/2011 | 09/07/2012 | 2 | 13 |
| 3 | 2011-12 (1 st) | 708.95 | 31/07/2011 | 20/02/2013 | 31/12/2011 | 16/09/2013 | 19 | Delay in submission of UC for 2010-11 resulted in delay in release of the subsequent instalments |
| 4 | 2011-12 (2 nd) | 708.95 | 31/01/2012 | 06/05/2014 | 30/06/2012 | 13/06/2014 | 28 | |
| 5 | 2012-13 (1 st) | 797.91 | 31/07/2012 | 03/07/2014 | 31/12/2012 | 18/07/2014 | 23 | |
| 6 | 2012-13 (2 nd) | 797.91 | 31/01/2013 | 23/07/2014 | 30/06/2013 | 28/08/2014 | 18 | |
| 7 | 2013-14 (1 st) | 920.50 | 31/07/2013 | 04/09/2014 | 31/12/2013 | 04/10/2014 | 13 | |
| 8 | 2013-14 (2 nd) | 920.50 | 31/01/2014 | 13/10/2014 | 30/06/2014 | 18/11/2014 | 9 | |
| 9 | 2014-15 (1 st) | 920.36 | 31/07/2014 | 21/11/2014 | 31/12/2014 | 15/01/2015 | 4 | |
| 10 | 2014-15 (2 nd) | 1091.88 | 31/07/2015 | 20/02/2015 | 30/06/2015 | 24/03/2015 | 1 | |
| XIVth Finance Commission | | | | | | | | |
| 11 | 2015-16 (1 st) | 1113.00 | 30/06/2015 | 30/06/2015 | 30/09/2015 | 07/01/2016 | 0 | 3 |
| 12 | 2015-16 (2 nd) | 1112.00 | 31/10/2015 | 01/02/2016 | 31/05/2016 | 13/06/2016 | 3 | 0 |
| 13 | 2016-17 (1 st) | 1540.00 | 30/06/2016 | 09/11/2016 | 30/09/2016 | 23/03/2017 | 4 | 0 |

Source: Compiled from records of RD&PR

The Department accepted (June 2018) that the UCs could not be submitted on time.

2.1.8.3 Interest for delay in transfer of Central Finance Commission grants to the PRIs not paid

As per Para 4.2 of the guidelines for utilization of XIIIth FC funds, the funds must be transferred to the PRIs within the stipulated number of days, *i.e.*, 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. Also, as per the guidelines for utilization of XIVth FC, the funds must be transferred to the PRIs within 15 days from the date of receipt from GoI. Any delay in transfer of funds to the PRIs will require the State Government to release the installment with interest, at the Bank rate of Reserve Bank of India, for the number of days of delay.

Scrutiny of records of the Directorate of RD&PR and the PRIs revealed that during 2012-13 to 2016-17, there was time gap of 3 to 55 days between the date of release by the GoI and actual transfer of funds to the accounts of the PRIs (*Appendix-2.2*). Further, the interest payable on account of delay amounting to ₹ 69.69 lakh was not paid to the PRIs. The Department stated (June 2018) that the delay in transfer of funds into the accounts of PRIs was attributable to delay in preparation of bills by the Department and subsequent passing of the bills in the treasuries. The Department further stated that as the date of expenditure sanction and encashment permission is taken as the date of release of funds to PRIs by Finance Department, there was no delay in transfer of funds. The reply is not acceptable as funds were

not transferred within the timeline stipulated in the guidelines and funds not being available for expenditure in the accounts of the PRIs.

Thus, the PRIs were deprived of not only interest portion but also timely receipt of funds. Delay in transfer of funds resulted in delay in execution of works by the PRIs. In view of season-specific limitations in execution of works in the State, delay in release of funds hampered timely delivery of basic services to the rural poor. The Government needs to put in place a system to enable the PRIs to avail funds within the prescribed timeline.

2.1.8.4 Short release of Performance Grant under XIIIth Finance Commission

Para 7.1 of the guidelines of the XIIIth FC envisaged conditions for release of General Performance Grant. These conditions must be met by the end of a fiscal year (31 March) for a State to be eligible to draw its Performance Grant for the succeeding fiscal year. Further as per para 7.2, the forfeited performance grant for that particular year will be distributed as under:

- (i) Fifty *per cent* of the aggregated PRI amount so forfeited will be divided amongst all the States (both performing and non-performing).
- (ii) The remaining 50 *per cent* of the aggregate forfeited PRI performance grant will be distributed amongst the States that have complied with the stipulated conditions envisaged in paras 6.1, 6.2 and 6.4.2 to 6.4.8 of the guidelines for availing performance grant. The conditions are given in *Appendix-2.3*.

Audit examination revealed that out of the allocated Performance Grant of ₹ 42.06 crore in respect of PRIs for the State during 2011-12 to 2014-15, the State received ₹ 23.06 crore only. There was short release of Performance Grant amounting to ₹ 19 crore by the GoI as given in **Table No. 2.3**:

Table No. 2.3 Short release of Performance Grant to PRIs of Manipur by GoI
(₹ in lakh)

| Year | Amount allocated | Amount released including backlogs | Balance |
|--------------|------------------|------------------------------------|-----------------|
| 2011-12 | 484.00 | 70.36 | 413.64 |
| 2012-13 | 1,093.69 | 0.00 | 1,093.69 |
| 2013-14 | 1,257.14 | 1,257.14 | 0.00 |
| 2014-15 | 1,371.30 | 978.76 | 392.54 |
| Total | 4,206.13 | 2,306.26 | 1,899.87 |

Source: Compiled from records of RD&PR

The State Government forfeited ₹ 19 crore as the PRIs of the State could not fulfill all the conditions for availing Performance Grant. Thus, the PRIs in the State were deprived of grant amounting to ₹ 19 crore.

The Department accepted (June 2018) the above fact and stated that the Department would henceforth ensure to fulfill all conditions for availing grants in future.

2.1.8.5 Payment of Performance Grant to 69 Gram Panchayats in contravention of the XIVth Finance Commission Guidelines

Para 13 of the guidelines for implementation of the recommendations of the XIVth FC fund envisaged two conditions for the Gram Panchayats (GPs) to be eligible for Performance Grant *viz.* (i) the GPs will have to submit audited accounts that relate to year not earlier than two years preceding the year in which the GPs seeks to claim the performance grant and (ii) the GPs will have to show an increase in their Own Source Revenues (OSR) over the preceding year as reflected in the audited accounts.

However, the Department in contravention of the recommendation of the Finance Commission disbursed Performance Grant amounting ₹ 3.39 crore to 69 non eligible GPs during 2016-17. During test check of documents of 11 selected GPs¹ out of the 69 GPs that received performance grants, it was noticed that none of the GPs prepared annual accounts that relate to two years preceding 2016-17. There was also no record in the Department (RD&PR) to show that the rest of the 58 GPs (69 – 11) fulfilled the two conditions envisaged in the guidelines. The relevant documents for collection of revenue (demand registers, collection register, TR-V receipts, *etc.*), approval of the competent authorities and notification of the GP for levy and collection of taxes were also not available. The OSR stated to have been collected during 2016-17 were not properly deposited to bank account opened for it. Bank account for three GPs relating to OSR was opened only in March 2017.

It appears that the GPs of the State neither maintained accounts nor records of collection of revenue. The Performance Grant awarded to 69 GPs who had not fulfilled the two criteria in contravention to the guidelines was not proper and violates the recommendation of the Finance Commission.

The conditions specified by the XIVth FC needs to be sincerely followed so that the GPs are encouraged to maintain proper accounts and to raise revenues from own sources.

The Department accepted (June 2018) the observations made by Audit.

2.1.9 Planning

2.1.9.1 Non preparation of annual development plan

Section 95(1) of the MPR Act, 1994 stipulated that the GPs are to prepare annual plans for the development of the Panchayat area and submit to the ZP before such date and in such form as may be prescribed. Further, every ZP is to prepare every year a development plan of the district after including the development plans of the GPs and submit to the District Planning Committee (DPC) constituted under Section 96 of the MPR Act, 1994. Though, the DPC had already been constituted in four valley districts, they were yet to be made functional. Further, the XIVth FC stipulated that the funds under the XIVth FC should be utilized after preparation of proper plans by the PRIs.

¹ (i) Bashikhong, (ii) TorbanKshetrileikai, (iii) Khonghampat, (iv) Thongju Part-II, (v) Tekcham, (vi) Moijing, (vii) Heirok Part-II, (viii) Thinungei, (ix) Keinou, (x) Khoijuman-Kwasiphai, (xi) Phubala

Audit noticed that all the 33 selected PRIs did not prepare Annual Plans for the development of the Panchayat area as stipulated in the MPR Act, 1994. It was observed that the PRIs prepared work programmes for utilisation of the XIIIth FC and XIVth FC funds only after the funds were credited to their account. The works implemented in the GPs were selected by the Gram Sabha/ Panchayat. The work programmes of the ZPs were also taken up as per the proposals of the elected representatives of the ZPs and there were no inputs of the GPs in the work programmes of the ZPs. It was also noticed that both the ZPs and GPs were implementing the same nature of works in the same Panchayat area which showed that there was no proper co-ordination between the ZPs and the GPs. This is fraught with the risk of duplication of works taken up by the GPs and ZPs. No assessment of the services expected to be derived from the assets created nor of the importance/urgency of the work selected was seen in the resolutions/proposals. There was no record to show that proper planning was done for the works taken up under the CFC grants. Therefore, a proper co-ordination between the ZPs and the GPs becomes very essential.

The Department stated (June 2018) that plans were in place. The reply is not acceptable as no supporting document was furnished in this regard.

2.1.10 Utilisation of funds

Economical, efficient and effective execution of the works was not ensured

In the selected PRIs covered during audit, there was a common system of execution of works. The Section Officer (SO) of the Block Development Office (BDO) or the ZP concerned prepared the estimate of work, which included the details of measurement and the abstract of cost based on the then prevailing Manipur Scheduled of Rates (MSR). The works were then executed departmentally through a local Beneficiary Committee², which was constituted for the purpose.

To ensure economy and efficiency in execution of the works, an engineer needs to supervise and guide the execution of work at the work site during the course of the execution. Types of labourers– skilled or unskilled and number of days, appropriate quantity and quality of materials required at estimated rates has to be ensured and employed as per estimates of the work to achieve the best results at the lowest cost. Subsequently, the actual details of works done is to be measured and entered in MB and payment be made. However, examination of the records such as Muster Rolls, vouchers and other records revealed that there was poor technical guidance at the time of work execution as is reflected in the following paragraphs.

2.1.10.1 Improper preparation of estimates

As per para 4.2.1 of Manipur Public Works Department (MPWD) Works Manual, 2012, an estimate for a work should be complete and as comprehensive as possible, and should be supported by detailed architectural drawings, preliminary structural plans, preliminary lay-out drawings of the various services, detailed drawings and/or specifications for the various components of work involved, *etc.*, as applicable. Further, no work should normally be commenced or any liability thereon incurred until an administrative approval has been obtained, a properly

² A committee of persons formed by the Gram Panchayat/ Zilla Parishad for execution of works.

prepared detailed estimate has been technically sanctioned and where necessary expenditure sanction has been accorded and allotment of funds made.

It was observed that the estimates of the works taken up by the PRIs were not as envisaged *ibid*. The estimates did not contain drawings or site plan.

For instance, Mayang Langjing GP constructed (March 2013) a drain costing ₹ 3.54 lakh. However, the estimate prepared for the work was for construction of a pond having dimension 75m x 15m x 2m. Similarly, Phubala GP (May 2017) and Thambalkhong GP (May 2015) had taken up works of clearing of aquatic plants in Minor Irrigation canal costing ₹ 0.69 lakh and ₹ 4.10 lakh respectively. However, estimates for excavation of earth were adopted for the works. Technical sanctions of these estimates to indicate the approval of the competent authority were also not on record. Thus, the estimates prepared for the works were not commensurate with the nature of the work actually taken up.

It was also noticed that nine works (**Appendix-2.4**) were taken up in four GPs and completed during April 2014 to December 2015 at the total cost of ₹ 27.87 lakh. However, examination of records for these works revealed that the estimates were based on MSR 2015 which was published in December 2015. Hence, adoption of the MSR 2015 for the works already completed was not justified. This showed that the estimates of the works were prepared after the works were completed.

The Department accepted (July 2018) the audit observations and stated that further action contemplated to be taken up by the Department may be intimated to Audit. However, no reply was received (July 2018).

2.1.10.2 Excess payment due to preparation of wrong estimates

a) 15 per cent contractor's profit not deducted from estimates- ₹ 1.76 crore

The estimates of the works executed in the PRIs were based on MSR from time to time. The rates for an item of work in the MSR are inclusive of 15 per cent contractor's profit. As contractors were not involved in the execution of the works, the estimates so prepared based on MSR should have been devoid of contractor's profit.

However, the estimates of the works taken up in 28 PRIs during the years 2012-13 to 2016-17 were prepared as per the then prevailing MSRs without deducting 15 per cent contractor's profit and payments were made as per the estimates. Thus, there was excess payment due to non-deduction of contractor's profit from the estimates to the tune of ₹ 1.76 crore (**Appendix-2.5**) in 616 works of 28 PRIs. Had the estimates been prepared excluding contractor's profit, there would have been savings that could be spent for construction of more infrastructures in the PRIs.

The Department accepted (June 2018) the audit observation in case of Imphal West. In case of Bishnupur and Thoubal, the Department did not accept the audit observation on the ground that 15 per cent was added as cost escalation. The reply is not acceptable as estimates were to be prepared based on the scheduled rates and percentage of cost escalation cannot be arbitrarily added.

b) Error in estimates resulting excess expenditure- ₹ 34.02 lakh

Estimate of works in the PRIs were prepared based on MSR. For adoption of rates not available in the MSR, a rate analysis is to be done and approved by the competent authority. During the years 2012-13 to 2016-17, an amount of ₹ 34.02 lakh was paid in excess to the Beneficiary Committees on execution of 20 works under XIIIth and XIVth FC in seven GPs due to adoption of higher rate than that of the rate in MSR or due to adoption of wrong nomenclature. The details are shown in **Appendix-2.6**.

Thus, due to faulty adoption of nomenclature, incorrect adoption of rates and faulty calculation, the PRIs incurred extra expenditure of ₹ 34.02 lakh. The Department accepted (June 2018) the audit observation in case of Bishnupur and stated that this was done to compensate for bandhs and blockades. The Department stated that care would be taken to ensure proper and accurate preparation of estimates to avoid error in future, and issue instructions/circulars for compliance by PRIs.

c) Irregularities in expansion and deepening works of ponds

In 11 PRIs (2 ZPs and 9 GPs), 51 works of expansion and deepening of existing ponds costing ₹ 92.01 lakh (**Appendix-2.7**) were taken up under XIIIth and XIVth FC during the years 2012-13 to 2016-17. As the works were for expansion and deepening of existing ponds, the dimensions of the existing ponds should have been considered and excluded while framing the estimates. However, the dimensions of the existing structure were not worked out and considered in the estimates prepared. Instead, the PRIs adopted estimates for construction of new ponds and incurred expenditure as per the estimates. Hence, estimates adopted by the PRIs were not regular and resulted in extra expenditure.

In the absence of dimensions of the existing pond, Audit could not work out the extra expenditure incurred by the PRIs in renovation of 51 ponds. Had the PRIs adopted accurate estimates taking into consideration the dimensions of existing ponds, there would have been savings which could have been utilized in creation of more assets. The Department accepted (June 2018) the audit observation and stated that it is noted for future compliance.

2.1.10.3 Deployment of excess mandays

The estimates of the works taken up in the PRIs were based on MSRs. The number of mandays required for executing the works as per the estimates was available in the Analysis of Rates of the MSRs.

Test check of records of 237 works executed in 11 PRIs (4 ZPs and 7 GPs) during the years 2012-13 to 2016-17 under XIIIth and XIVth FC revealed that 2,30,576 number of mandays were employed against the requirement of 96,538 mandays as per estimates. The excess mandays ranged from 25 *per cent* to 267 *per cent* of the requirement. Thus, there was excess deployment of 1,34,038 mandays. The worked out details of excess mandays are shown in **Appendix-2.8**. The Department stated (June 2018) that wages were paid as per the rates prescribed by the Labour Department which was lesser than that prescribed in MSR and there was no financial impact. The reply is not acceptable because there was no reason for employment of excess mandays when the same amount of work could have been executed with lesser mandays as per the approved estimates.

2.1.10.4 Sub-standard execution of works

As per para 31.1 of Manipur Public Works Department (MPWD) Works Manual 2012, all work are to be executed according to the specifications laid down and in a proper workmanlike manner. The estimates of the works taken up in the PRIs were based on MSRs. The quantities of different items required for executing the works as per the estimates is available in the Analysis of Rates of the MSRs.

Test check of 102 works taken up during the years 2012-13 to 2016-17 under XIIIth and XIVth FC at an estimated cost of ₹ 2.72 crore by the selected PRIs revealed that materials like cement, stone, sand and bricks, *etc.* which were required for the works were not used as per specifications (**Appendix-2.9**). There were cases where excess material was utilized. There were also instances of short utilization of the required material. Details are as shown in **Table No. 2.4**:

Table No. 2.4 Prescribed quantity of material not utilized in the execution of works

| No. of works | Particulars | Quantity required as per estimate | Actual quantity used | Excess utilization | | Short utilization | |
|--------------|----------------------|-----------------------------------|----------------------|--------------------|-----------------|-------------------|------------------|
| | | | | No. of works | Excess quantity | No. of works | Deficit quantity |
| 102 | Stone (in cum) | 5,139 | 4,630 | 58 | 837 | 44 | -1,346 |
| 102 | Sand (in cum) | 2,186 | 2,830 | 75 | 694 | 27 | -50 |
| 102 | Cement (in MT) | 971 | 508 | 0 | 0 | 100 | -465 |
| 43 | Brick (no. of piece) | 24,023 | 1,37,842 | 38 | 1,20,750 | 5 | -6,930 |

Source: Compiled from records of PRIs

Further, the specifications of the material procured were not stated in the vouchers. Purchases were made from unregistered shop having no Tax Identification Number (TIN).

Thus, the works were not executed as per the estimates and specifications. The expected life span of the assets was not on records. The durability of the assets would be adversely affected as the works were not executed as per specifications and estimates. The Department accepted (June 2018) the audit observation in case of Imphal East ZP, Thoubal ZP and Bishnupur ZP and stated that this was due to improper submission of voucher, use of other material and due to bandhs and blockades.

2.1.10.5 Suspected fraudulent expenditure- ₹ 18.99 lakh

As per para 31.1 of Manipur Public Works Department (MPWD) Works Manual 2012, all works are to be executed according to the specifications laid down and in a proper workmanlike manner. The measurement book is the basis of all accounts of quantities whether the works done by contractors or by labourers employed departmentally, or materials received. It should be so written that the transactions are readily traceable. These books should be considered as very important accounts records and maintained very carefully and accurately as these may have to be produced as evidence in a court of law, if and when required (Para 7.2).

Scrutiny of 51 works pertaining to toilets, urinals and waste tanks taken up during the years 2012-13 to 2016-17 under XIIIth and XIVth FC in eight PRIs revealed that as per estimates the superstructure walls of the toilets, urinals and waste tanks were to be constructed using full brick masonry. Measurement Book records for construction of these superstructure walls showed that 398 cubic metre of full brick masonry was executed at an expenditure of ₹ 33.51 lakh. However, the joint physical verification, photographs of completed works and vouchers wherever available revealed that the superstructure walls were constructed using half brick masonry instead of full brick masonry³. Some of the photographs are shown below:



Toilet at Kangmong Tongbram Leikai with half brick masonry walls under Imphal West ZP



Construction of garbage tank with half brick masonry at Khomidok Bazar under Imphal East ZP

The total expenditure should not be more than ₹ 14.53 lakh as the works were taken up in half brick masonry as shown in **Appendix-2.10**.

There was suspected fraudulent expenditure to the tune of ₹ 18.99 lakh (₹ 33.51 lakh - ₹ 14.53 lakh) in the 51 works due to faulty adoption of rates and measurement. The Department stated (June 2018) that in respect of Imphal East ZP payments had been made prior to actual execution of works and in case of Imphal West ZP all works had been executed as per specification except Community Toilet at Kangmong Tongbram.

The reply in case of Imphal East ZP is an admission of irregular practices. The reply in case of Imphal West ZP is not acceptable as structures were found constructed with half bricks during the joint physical verification.

2.1.10.6 Doubtful purchase of material for works executed

In order to execute the works as per specifications as envisaged in para 31.1 of Manipur Public Works Department (MPWD) Works Manual 2012, the required materials are to be purchased as per the estimates and specifications. However, audit scrutiny revealed the following:

- During the years 2012-13 to 2016-17, nine PRIs purchased materials such as moorum, cement, sand, stone boulder, CGI sheet, bricks, etc. worth ₹ 7.33 lakh for 14 works under XIIIth FC and worth ₹ 15.55 lakh for 11 works under XIVth FC which were not required as per the estimates prepared for the works

³ For instance, as per MSR 2013, the rate for full brick masonry work was ₹ 8,667.90 per cum and that of half brick masonry work was ₹ 978.70 per sqm.

(Appendix-2.11). As such, the materials used in execution of the works were not of materials which were required for the works.

- During the years 2012-13 to 2016-17, nine PRIs incurred ₹ 1.03 crore on execution of 48 works under XIIIth FC and ₹ 24.40 lakh on execution of 11 works under XIVth FC. However, no voucher was produced to Audit in support of purchase of material worth ₹ 15.62 lakh for execution of some of the work components viz. stone aggregate for cement concrete work, sanitary item for construction of toilet, wood for formwork and woodwork, steel bar for reinforced cement concrete, etc., (Appendix-2.12). In absence of any documentary evidence for purchase of material the expenditure ₹ 15.62 lakh was doubtful.

There was mismatch of materials purchased and shown to have been used in the above works. This not only indicated poor maintenance of records but also showed lack of seriousness on the part of the PRIs.

The Department accepted (June 2018) the audit observation and stated that the mismatch of material had occurred as purchase of materials was made by the Beneficiary Secretary due to public demand. In case of works under Bishnupur BDO, the Department did not accept the audit observation and stated that the materials were purchased due to prevailing site conditions. The reply is not acceptable as estimates of the works should have been prepared after consideration of the site situation and random changes during construction is not only arbitrary but also left enough scope for malpractices.

2.1.10.7 Diversion of fund- ₹ 65.38 lakh

The XIVth FC grants provided to the PRIs are intended to support and strengthen delivery of basic services within the functions assigned to them under relevant legislations. The fund should go towards supporting and strengthening the core services like drinking water, sewerage, solid waste management, street lighting, etc. Further, the performance grants are intended to address the following issues: (i) making available reliable data on local bodies receipt and expenditure through audited accounts, and (ii) improvement in own revenues.

Test check of the records revealed that funds amounting to ₹ 65.38 lakh under XIVth FC were diverted for payment of salary of Accountant cum Data Entry Operator (ADEO) of GPs. The Department stated (June 2018) that payment of salary of ADEO was done after obtaining necessary approval of the Government as there was paucity of funds for payment of their salary. The claim of the Department could not be verified as no supporting document was furnished in this regard.

Thus, the purpose of supporting and strengthening delivery of basic services by the PRIs was defeated.

2.1.10.8 Idle expenditure– ₹ 17.46 lakh

Solid waste management is one of the services for which the funds under XIVth FC could be utilized. Solid waste management is an ever increasing problem of urban, industrial and rural area. The process of solid waste management involves (i) reduction of waste, (ii) recycling of waste, (iii) treatment of waste and (iv) disposal of waste. The management and handling of solid and liquid waste

should be in accordance with the applicable rules like that of Solid Waste Management Rule, 2016 applicable in Municipal and other areas.

Under XIVth FC, the Khoijuman-Kwasiphai GP constructed two Solid Waste Management sheds at Khoijuman (September 2015) and Kwasiphai (May 2016) at a total cost of ₹ 9.48 lakh and ₹ 7.98 lakh respectively. However, the GP did not have any plan for operation and maintenance of the two sheds. Also the GP did not take up any measure to collect revenue from the locality such as user charge for maintenance and running of the solid waste shed so that all the stakeholders received the benefit in long run. During the joint physical verification (September 2017) along with the staff of the GP, the two sheds were found with no signs of further activity after the construction. Thus, due to lack of proper planning and initiative on the part of the GP, the assets created at a cost of ₹ 17.46 lakh remained idle and the benefit of the assets created could not be made available to the people. The Department stated (July 2018) that the idle solid waste shed would be utilized as observed by Audit.

2.1.10.9 Doubtful execution of work- ₹ 19.25 lakh

In Khangabok Part-III GP, Patsoi GP and Keinou GP, five works *viz.* one drain, two hand pumps and two toilets were shown to be executed at total cost of ₹ 5.38 lakh from XIIIth FC funds. However, during joint physical verification, the display board at the work site of drain constructed at Khangabok Part-III GP showed that the work was constructed under MGNREGS. Similarly, the toilet at Patsoi GP was found to be constructed under State Finance Commission (SFC). Also, out of these five works, two hand-pumps at Khangabok Part-III GP and a toilet at Keinou GP were found to have been taken up by the concerned ZP and not by the concerned GPs. Thus, fund of ₹ 5.38 lakh was suspected to be siphoned off from the accounts of XIIIth FC and booked against the works taken up from other sources and by other agency (ZP).

Keinou GP constructed (May 2017) a Solid Waste Management Shed at the cost of ₹ 9.00 lakh under XIVth FC. However, during joint physical verification, no Solid Waste Management Shed was found at the site. The BDO, Bishnupur Block stated (July 2018) that the sanctioned amount was utilized for construction of two solid waste tanks and flooring of a community hall instead of the Solid Waste Management Shed. This was done as per the Gram Sabha resolution due to land dispute at the construction site. The reply is not acceptable as records like estimates, MBs *etc.* of the tanks and flooring of the community hall were not furnished.

In Imphal West ZP, a toilet stated to have been constructed (September 2014) at the cost of ₹ 1.12 lakh at Takyel Khongbal under XIIIth FC could not be found during joint physical verification. It was stated to be perished. In Imphal East ZP, two toilets were constructed (September 2014) under XIIIth FC at (i) Thambalkhong near RGPSA office at a cost of ₹ 1.65 lakh and (ii) ASHA Club, Akampat (Torban Kshetri Leikai) at a cost of ₹ 2.1 lakh. However, the same two works were also stated to have been executed by the concerned GPs respectively.

The expenditure of ₹ 19.25 lakh (₹ 5.38 lakh + ₹ 9.00 lakh + ₹ 1.12 lakh + ₹ 1.65 lakh + ₹ 2.1 lakh) incurred out of the XIIIth and XIVth FC funds on the above works was thus doubtful.

2.1.10.10 Assets not maintained- ₹ 7.75 lakh

Maintenance of assets created out of the scheme funds was important to enhance the life span of the assets. This would not only help the PRIs in earning revenue but also in delivering the expected benefits to all the stakeholders in the long run. Since the expected service or outcome of the assets was not on record, the effectiveness of the assets could not be properly analyzed.

Joint physical verification revealed that the following 12 assets created under XIIIth FC at a cost of ₹ 7.75 lakh in five PRIs were not maintained and remained idle.

Seven solid waste tanks of Khangabok Part-III GP constructed (May 2014 and May 2015) at the cost of ₹ 2.18 lakh and one solid waste tank each at Lamjaotongba GP (₹ 3.04 lakh) and Thambalkhong GP (₹ 0.25 lakh) were filled with solid wastes thereby leaving no room for further usage. Further, two hand-pumps at Elangbam Leirak and Kha-khondon in Khangabok Part-III GP constructed (May 2014) at the cost of ₹ 1.48 lakh were non-functional. A public toilet constructed at Keinou Bazar Pukhri Nakal in Keinou GP at the cost of ₹ 0.80 lakh under XIIIth FC was also found in a dilapidated condition due to non-maintenance.

There was no mechanism in any of the PRIs for maintenance of the assets created. Hence, the intended purpose for the assets created was not fully achieved. The Department stated (June 2018) that the assets were not maintained due to non-availability of funds. The reply is not acceptable as funds for maintenance of assets created should have been provided for their durability.

2.1.10.11 Suspected misappropriation of fund- ₹ 30.81 lakh

In Khoijuman-Kwasiphai GP, an amount of ₹ 26.32 lakh pertaining to XIIIth and XIVth FC was recorded to have been paid (July 2014 to April 2016) to the *Pradhan*. However, the purpose and the relevant documents for its utilization were neither available at the office of the GP nor was it in the knowledge of the incumbent Panchayat Secretary of the GP.

Keinou GP, Phubala GP and Khoijuman-kwasiphai GP had utilized (September to November 2014) ₹ 3.00 lakh (₹ 1.00 lakh each) from XIIIth FC on organizing Swachh Bharat Saptah for creating awareness on cleanliness and sanitation. However, there was no documents *viz.* sanction order, bill, vouchers and photographs for organizing the programs. Thus, due to lack of vital records, the expenditure of ₹ 3.00 lakh was doubtful.

Khangabok Part-III GP constructed (October 2014) a pond with fencing at Cherapur under XIIIth FC at an estimated cost of ₹ 1.66 lakh. In the estimate there was no provision for excavation of earth. The estimate contains two items of work- (i) clearing of grass and removal of rubbish and (ii) fencing work (₹ 1.49 lakh). On joint physical verification, there was no fencing noticed at the work site.

Funds of ₹ 30.81 lakh (₹ 26.32 lakh+₹ 3.00 lakh+₹ 1.49 lakh) were suspected to have been misappropriated from the accounts of the GPs. The Department stated (June 2018) that in respect of BDO, Bishnupur the relevant documents for utilization of funds were misplaced on transfer of the then Panchayat Secretary, and assured that the documents would be traced out and furnished to Audit. In case of Khangabok Part-III GP, the Department stated that the joint physical verification team was taken to a wrong site. The reply is not acceptable and the actual site verification should be conducted by the Department of Rural Development and Panchayati Raj (RD&PR) and report may be submitted to Audit.

2.1.11 Maintenance of accounts and records

2.1.11.1 Irregular drawal of self-cheques- ₹ 7.28 crore

The Finance Department, Government of Manipur had banned drawal of cheque in favour of self by all Drawing and Disbursing Officers (DDOs) with effect from 13 March 2008. Failure to comply with the order *ibid* was to be treated as a case of fraud and would be liable to prosecution under the Manipur Public Servants Personal Liability Act, 2006.

Test check of the records of 11 GPs revealed that ₹ 7.28 crore (**Appendix-2.13**) was withdrawn by self cheques/cash from XIIIth and XIVth FC grants during the years 2012-13 to 2016-17 in violation of the above order *ibid*. Moreover, it was seen that records for the object of expenditure in the form of bills/vouchers were not prepared. Actual disbursement was done in cash for which acknowledgement for receipt for payment, wherever available, was in the name of the *Pradhan* of the concerned GP. Due to this, Audit could not ascertain the actual receipt of the amount by the intended beneficiaries.

In view of the non-availability of related records for disbursement of the amounts drawn through self-cheques as stated above, the utilisation of ₹ 7.28 crore for the intended purpose could not be vouched. The Department stated (June 2018) that the audit observation is noted for future guidance.

2.1.11.2 Improper maintenance of records

PRIs are to prepare and maintain important records and registers such as Grants-in-Aid Registers, Cash Books, Assets Register, registers for Receivables and Payables, Bill Register, *etc.* However, PRIs maintained Cash Book based on the Bank Statement. Cash Books were not updated on regular basis. PRIs did not prepare consolidated Asset Register, Bill Register and Register of Receivables and Payables. Further, no Bank Reconciliation Statements were prepared by the PRIs.

It was observed in 59 works under both XIIIth and XIVth FC involving ₹ 1.42 crore of six⁴ selected GPs of Imphal West-I CD Block that the dimensions (length, breadth and height) of the works executed were not entered in the MBs. The total quantities of works executed were simply recorded in the MBs without the details of measurement.

⁴ (i) Khonghampat GP, (ii) Mayang Langjing GP, (iii) Moidangpok GP, (iv) Kanglatongbi GP, (v) Phumlou GP and (vi) Sapam Leirak GP.

Thus, maintenance of records by the PRIs was poor and there was no transparency in public expenditure.

2.1.11.3 Annual Statement of Accounts not prepared

The PRIs were to maintain proper accounts in such forms and manner as prescribed by the State Government. Preparation of annual accounts will give a picture of the financial position of the PRIs, ensure transparency as well as enhance accountability to the public in management of public funds. The State Government had agreed to adopt the Model Accounting System (MAS) prescribed by the Ministry of Panchayati Raj *w.e.f.* April 2013 in all PRIs.

However, none of the 33 selected PRIs prepared their accounts in the prescribed format. The PRIs stated that non-preparation of accounts was due to lack of knowledge. During 2012-13 to 2016-17, the PRIs spent ₹ 129.37 crore of CFC grants but no annual accounts were prepared. The Department of RD&PR stated that steps have been taken up to facilitate preparation of annual accounts by PRIs. However, the PRIs continue to transact business without preparation of accounts. The Department admitted (June 2018) that Annual Statement of Accounts was not prepared and would be prepared in future.

2.1.12 Lack of technical staff

The GPs are provided with minimum number of staff. There was one Panchayat Secretary for each GP responsible for overall maintenance of records and accounts. The Panchayat Secretaries were assisted by one Gram Rojgar Sevak (GRS) and one Accountant cum Data Entry Operator (ADEO) appointed on contract basis for the schemes MGNREGS and Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA).

There was no permanent technical staff to look after the works taken up by the GPs. As such, technical staffs of the concerned BDOs were engaged for the GPs. Two Section Officers each were engaged for 25 GPs under Imphal East-II CD Block and 24 GPs under Imphal West-I CD Block respectively. Four Section Officers each were engaged for 12 GPs under Bishnupur CD Block and 27 GPs under Thoubal CD Block. As the GPs are taking up large number of works under Central and State Finance Commission Awards and other Central and State schemes, lack of technical manpower would adversely affect the effective execution of works by the PRIs.

2.1.13 Monitoring and Evaluation

As per the guidelines issued by the Ministry of Finance for utilization of Central Finance Commission (CFC) grants, every State shall constitute a High Level Monitoring Committee (HLMC) headed by the Chief Secretary to the State Government and will include Finance Secretary and Secretaries of the concerned Departments as members. State level HLMC was formed for both XIIIth FC and XIVth FC. For XIIIth FC, HLMC shall be responsible for ensuring adherence to the specific conditions in respect of each category of grant, wherever applicable. The HLMC held 23 numbers of meetings under XIIIth FC. HLMC for XIVth FC (for both PRIs and ULBs) was formed in September 2016 under the Chairmanship of Chief Secretary, Government of Manipur. The HLMC of XIVth FC shall be

responsible for monitoring and carrying out concurrent evaluation of the PRIs receiving the grants to ensure that funds are utilized for the purpose recommended by the XIVth FC. Though the State received funds under XIVth FC since July 2015, no meeting of HLMC (under XIVth FC) was held/convened till date of audit (May 2017). Thus, there was no system of monitoring the utilisation of funds under XIIIth FC and no monitoring or concurrent evaluation under XIVth FC till date of audit.

The State Government, as per the guidelines for utilization of XIIIth Finance Commission Grants, was to put in place a system of independent Local Body Ombudsman who will look into complaints of corruption and mal-administration against the functionaries of Local Bodies, both elected members and officials. The Manipur Rural Local Bodies Ombudsman Act, 2013 was enacted for the constitution of a local body Ombudsman in the State. However, the Ombudsman was not constituted (June 2018).

The XIVth Finance Commission envisages that a third party audit mechanism should be put in place by March 2017. However, such a third party audit mechanism was yet to be put in place in the State (June 2018).

There was also no information or database system available at the Directorate to monitor the delivery of services provided by the PRIs.

There was no proper system of monitoring the utilization of funds at the level of Directorate/Government. The Directorate stated that it was being done by the CEOs and BDOs for ZPs and GPs respectively. Regarding the system for monitoring of implementation and utilization of funds, it was stated that 50 *per cent* of the estimated amount of the work was to be released to the Beneficiary Committee for starting the work as 1st Installment. Another 30 *per cent* would be released as 2nd Installment after work is done and photographs are submitted by the Panchayat Secretary with a Panchayat resolution. The balance amount of the work, *i.e.*, 20 *per cent* will then be released by the BDO after receiving claim from Panchayat Secretary and Section Officer along with completed photographs of the works and Panchayat resolution.

However, the PRIs did not maintain photographs for each stage of the works. It was also observed in 39 works taken up by 10 PRIs during 2012-17 under XIIIth and XIVth FC at an estimated cost of ₹ 95.02 lakh that the execution of works was not as per the estimates and records in the MBs (**Appendix-2.14**). These showed that execution of the works was not monitored properly.

The Department stated (June 2018) that the audit observation is noted for future guidance.

2.1.14 Conclusion

Systemic inefficiencies resulted in depriving the PRIs of admissible Performance Grant (₹ 19 crore) and bunching of release of seven instalments of Central Finance Commission (CFC) grants (₹ 61.58 crore) meant for the period 2011-12 to 2014-15 within a span of 10 months during May 2014 to February 2015. Interest (₹ 69.69 lakh) for delay in release of CFC grants by State Government was also not released to PRIs. All the selected PRIs executed works without any road map in the form of Annual Plans for development of the Panchayat areas. There was no

transparency in utilization of funds as seen from improper and wrong estimates for works, sub-standard execution of works, purchase of material not required for work. Some of the assets supposed to have been created under CFC grants could not be located/traced during the joint physical verification while available assets were not maintained. Proper utilisation of CFC grants amounting ₹ 7.28 crore drawn on self cheques/cash could not be justified due to non-availability of bills/vouchers and other records of payment. The maintenance of records, e.g., Cash Book, Assets Register, etc. was very poor. There was no system of monitoring the utilization of grants under the XIIIth and XIVth Finance Commission.

2.1.15 Recommendations

The State Government may ensure that:

- Central Finance Commission grants are transferred to the PRIs on time;
- Panchayati Raj Institutions adhere to guidelines for maintaining proper accounts and collect revenues from own sources and avail the Performance Grant;
- Panchayati Raj Institutions prepare proper plans for the utilization of grants devolved for development of the Panchayat areas;
- Panchayati Raj Institutions maintain proper accounts in the prescribed format and maintain records; and
- To establish a proper system to monitor functioning of the Panchayati Raj Institutions.

CHAPTER-III

Compliance Audit of Panchayati Raj Institutions

CHAPTER-III Compliance Audit of Panchayati Raj Institutions

3.1 Non-deduction of Value Added Tax at source- ₹ 7.62 lakh

Finance Department, Government of Manipur's order No. 5/45/2006-FD (TAX) dated 03 September 2009 instructed that all Government Department/Agencies should deduct Value Added Tax (VAT) at source on purchase of material, equipment/goods and Contract works. The tax so deducted shall be deposited to Government account within three days from the date of passing of the bills.

Test check of records (March 2017) for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in Bishnupur ZP revealed that the ZP incurred an expenditure of ₹ 1.52 crore on purchase of consumables, non-consumable items, *etc.* from two dealers *viz.*, M/S Asem Enterprise and M/S Time Agency, Bishnupur Bazar.

It was observed in audit that the Bishnupur ZP did not deduct VAT of ₹ 7.62 lakh at the rate of 5 *per cent* (**Appendix-3.1**) at source at the time of payment to the dealers in violation of the Finance Department's order *ibid.* This had impeded the measures taken up by the Government to curb evasion of tax.

The matter has been referred to the Government (July 2017); reply was not received (July 2018).

3.2 Irregular cash withdrawal through self-cheques- ₹ 1.88 crore

The Finance Department, Government of Manipur banned drawal of cheque in favour of self by all Drawing and Disbursing Officer (DDO) with effect from 13 March 2008. Failure to comply with this order was to be treated as a case of fraud and liable to be prosecuted under the Manipur Public Servants Personal Liability Act, 2006.

Test check of records of 15 Gram Panchayats (2016-17) revealed that the DDOs had withdrawn ₹ 1.88 crore from banks through self-cheques during 2015-16 in contravention of the Government's order *ibid.* Gram Panchayats wise details are as shown in **Table No. 3.1**:

Table No. 3.1 Cash withdrawal through self-cheque

| Sl. No. | Name of PRI | Year | Amount drawn (₹ in lakh) |
|---------|---------------------------|---------|-----------------------------|
| 1 | Maibam Uchiwa GP | 2015-16 | 37.65 |
| 2 | Chairel GP | 2015-16 | 1.66 |
| 3 | Leishangthem GP | 2015-16 | 17.77 |
| 4 | Langmeidong GP | 2015-16 | 6.02 |
| 5 | Sekmajjin GP | 2015-16 | 2.20 |
| 6 | Turel Ahanbi Atoukhong GP | 2015-16 | 27.37 |
| 7 | Oinam Sawombung GP | 2015-16 | 14.63 |
| 8 | Arong Nongmaikhong GP | 2015-16 | 7.34 |
| 9 | Hayel Hangoon GP | 2015-16 | 2.28 |
| 10 | Waikhong GP | 2015-16 | 4.82 |
| 11 | Charangpat GP | 2015-16 | 6.77 |
| 12 | Leirongthel GP | 2015-16 | 14.08 |

| Sl. No. | Name of PRI | Year | Amount drawn (₹ in lakh) |
|---------|---------------|---------|-----------------------------|
| 13 | Wangkhem GP | 2015-16 | 22.82 |
| 14 | Serou GP | 2015-16 | 15.54 |
| 15 | Pangaltabi GP | 2015-16 | 6.84 |
| | Total | | 187.79 |

The amounts were drawn through self-cheques for approved work programmes under State Finance Commission grants, XIIIth and XIVth Finance Commission grants. Payments were made in cash to the suppliers/ firms/ concerned Beneficiary Secretaries²/ as wages of the works. Withdrawal of such large amounts in cash and subsequent payment made in cash was in violation of the Finance Department's notification. Such irregular cash withdrawal through self-cheque was fraught with risk of misappropriation of funds.

The matter was referred to the GPs. Two GPs (Serou GP, Langmeidong GP) stated they were not aware of the notification/instructions, six GPs did not receive such specific directions/orders from the Directorate of RD&PR (Maibam Uchiwa GP, Leishangthem GP, Turel Ahanbi Atoukhong GP, Oinam Sawombung GP, Leirongthel GP, Wangkhem GP), three GPs did not have alternative way (Pangaltabi GP, Sekmajjin GP, Hayel Hangoon GP) while Chairel GP replied that the audit observation would be complied in future.

3.3 Suspected misappropriation- ₹ 10.38 lakh

As per rule 56 of the Receipts and Payments Rules, 1983, a Government officer entrusted with the payment of money shall obtain for every payment he makes, a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts.

Test check of records (September 2016) revealed that Sekmajjin GP undertook the work "Construction of road from Sorokhaibam Leirak to Oinam Leirak with one slab culvert" at an estimated cost of ₹ 39.01 lakh in 2014. The GP issued 27 cheques for payment of ₹ 37.47 lakh against this work between November 2014 to December 2015. However, expenditure vouchers to substantiate the payment were available for ₹ 27.09 lakh only. This resulted in unaccounted payment of ₹ 10.38 lakh (₹ 37.47 lakh - ₹ 27.09 lakh). In the absence of relevant documents in support of the expenditure incurred by the GP, Audit could not rule out misappropriation of public money to that extent.

The matter has been referred to the Government (October 2016); reply was not received (July 2018).

² Beneficiary Secretary is the Secretary of the Beneficiary Committee to whom works were awarded and responsible for the implementation of the works of the schemes.

Part - B
Urban Local Bodies

CHAPTER-IV

An overview of the functioning, accountability mechanism and financial reporting of Urban Local Bodies

CHAPTER-IV An Overview of the Urban Local Bodies

An overview of the functioning of the Urban Local Bodies in the State

4.1 Introduction

The Constitution of India (Seventy-Fourth Amendment Act, 1992) empowered Urban Local Bodies (ULBs) to function as local self-government. The ULBs are required to deliver services for economic development and social justice more effectively with regard to the 18 subjects listed in the XIIth Schedule of the Constitution of India. In Manipur, the ULBs are spread out in the six valley districts of the State. The urban population of the State as per 2011 Census was 8.34 lakh, which was 29.21 *per cent* of the total population (28.56 lakh) of the State.

In the State, there were one Municipal Corporation, 18 Municipal Councils (MCs), eight Nagar Panchayats (NPs) and one Small Town Committee (STC) as on 31 March 2017. Each ULB is governed by the Manipur Municipalities Act (MMA), 1994 which specify the obligatory and discretionary functions to be discharged by these ULBs. The said Act empowers ULBs to function as institution of local self-government in delivering social and economic development in urban areas.

The statistics of urban population of Manipur and the number of ULBs in the State is shown in **Table No. 4.1**:

Table No. 4.1 Statistics of urban population in Manipur

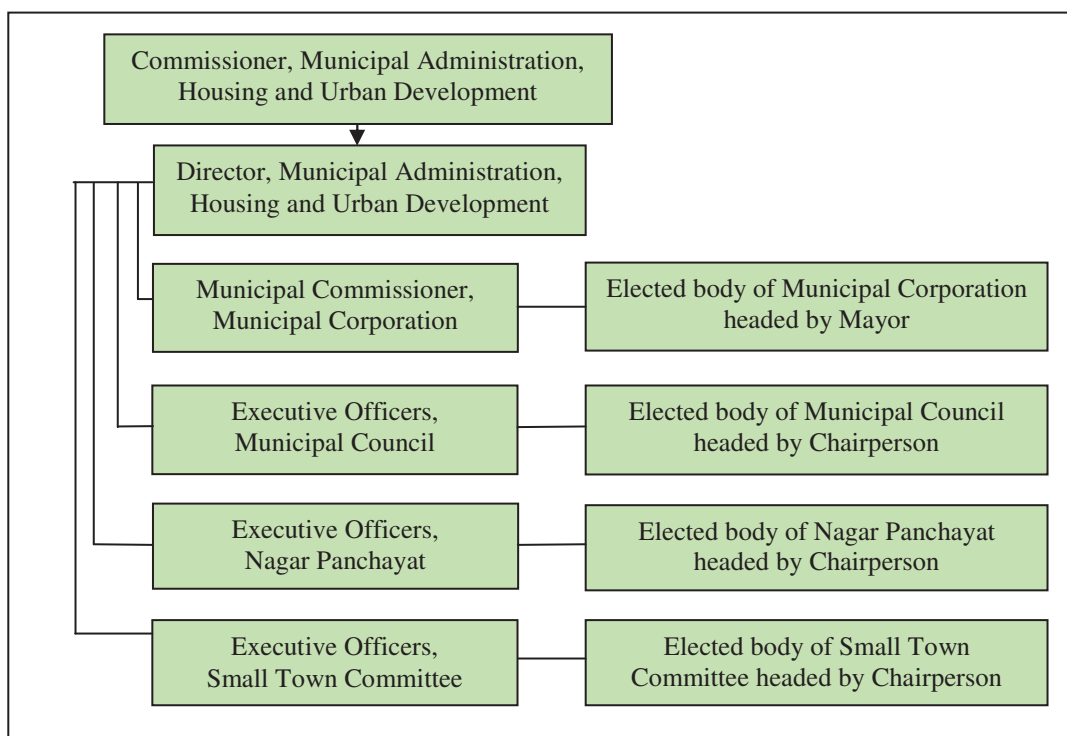
| Sl. No. | Indicator | Unit | Value |
|---------|--------------------------|---------------------|-------|
| 1 | Population | 1000s | 2,856 |
| 2 | Population density | Persons per sq.km. | 128 |
| 3 | Urban population | <i>Per cent</i> | 29.21 |
| 4 | Urban Sex Ratio | <i>Per thousand</i> | 1,026 |
| 6 | Municipal Corporation(s) | Numbers | 1 |
| 7 | Municipal Council(s) | Numbers | 18 |
| 8 | Nagar Panchayat(s) | Numbers | 8 |
| 9 | Small Town Committee | Numbers | 1 |

Source: Economics and Statistics Department's Report, 2015-16; and Census Report 2011

4.2 Organization set up of Urban Local Bodies

The following organogram depicts the organizational setup at State level and Local Body level with linkage between administrative setup and elected body of ULBs in the State:

Urban Local Bodies



4.2.1 The broad details of responsibilities of functionaries are given in **Table No. 4.2:**

Table No. 4.2 Details of responsibilities of functionaries

| Authority | Responsibilities |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Municipal Administration, Housing and Urban Development Department (MAHUD) | MAHUD is the nodal Department which administers the overall monitoring and implementation of schemes related to the Municipalities. |
| Small Town Committee/ Nagar Panchayat/ Municipal Council/ Municipal Corporation (elected body) | Preparation of Plans for economic development and social justice. |
| Municipal Commissioner/ Executive Officer | Monitors the financial, executive and administrative functions of STC/NP/MC and performs all duties imposed or conferred upon him under the Manipur Municipalities Act. |

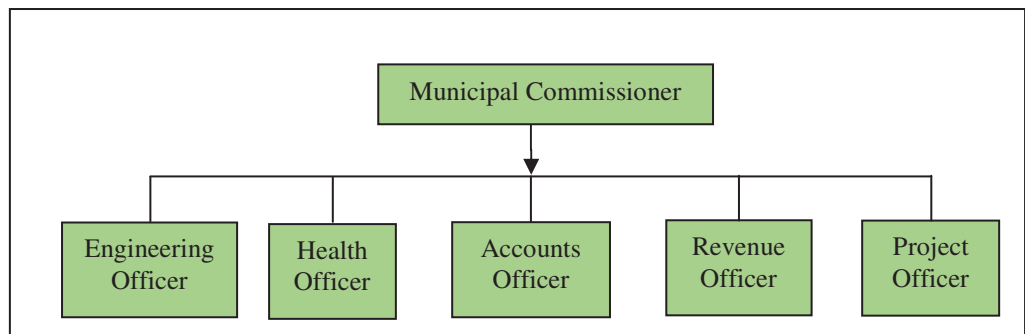
4.3 Functioning of Urban Local Bodies

All the ULBs constituted a body comprising Councillors elected by the people under their respective jurisdictions. The Mayor of Imphal Municipal Corporation (IMC) and the Chairperson of the MC, NP and STC are elected by the majority of the councillors and is responsible for the overall governance of the bodies.

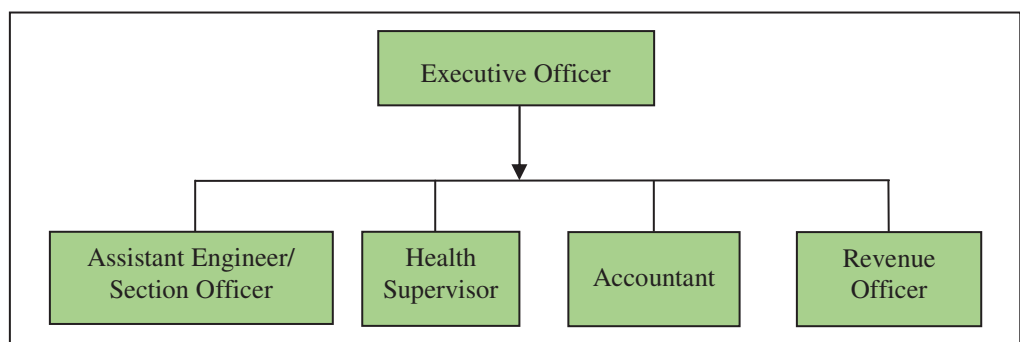
The Municipal Commissioner of IMC and Executive Officers (EO) of MC, NP and STC are appointed by the State Government as whole time Principal EOs for administrative control of the ULBs. Other officers are also appointed to exercise such powers and perform such functions as notified by the State

Government from time to time. The executive setup of the ULBs is depicted in the following organograms:

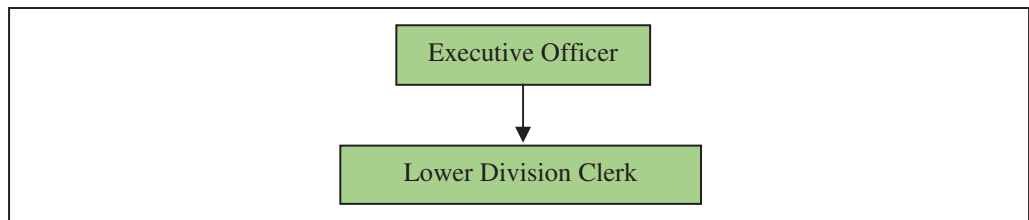
Executive setup of Imphal Municipal Corporation



Executive setup of Municipal Councils



Executive setup of Nagar Panchayats/Small Town Committee



Source: Compiled from the list of staff-strength furnished by ULBs

4.4 Transfer of funds, functions and functionaries to Urban Local Bodies

The Constitution of India (Seventy-Fourth Amendment Act, 1992) provides for devolution of powers and responsibilities to ULBs. ULBs are required to prepare plans and programmes for economic development and social justice relating to 18 subjects listed in the XIIth Schedule of the Constitution of India. The Directorate of MAHUD, Government of Manipur intimated (October 2017) that out of 18 subjects required to be transferred, functions in respect of ten subjects³ are being performed by ULBs.

³ 1. Urban planning including town planning, 2. Regulation of Land Use and Construction of Buildings, 3. Planning for economic and social development, 4. Solid Waste Management and Sanitation, 5. Safeguarding the interests of the weaker sections of the society, including the handicapped and the mentally retarded, 6. Urban Poverty Alleviation, 7. Provision of urban amenities and facilities such as parks, gardens, playground, 8. Cattle Pounds, 9. Public Amenities including street lighting, bus stops, public conveniences, 10. Registration of Birth and Death Certificates.

4.5 Formation of various committees

Section 56 of the MMA, 1994 provides for constitution of committee called “Standing Committee” in each NP or Council. The Committee is to assist discharge of any specific duties devolved upon it under this Act. Each Committee shall consist of Councillors as members. The Directorate of MAHUD, Government of Manipur intimated (October 2017) that five Municipalities have constituted Standing Committee. However, the functioning of the Committees could not be ascertained as the Department did not respond to Audit’s queries (February 2018) in this regard.

4.6 Annual Action Plan

As per section 227(6) of the Manipur Municipality Act, 1994, District Planning Committee (DPC) (headed by the Deputy Commissioner of the district as Chairman) shall consolidate the plan prepared by GP, ZP, NP and MC. After consolidation the DPC is to prepare a draft development plan titled Annual Action Plan (AAP) for the district as a whole and submit to the Government. The main purpose of preparing such plan is to avoid plurality in planning on various development issues.

Audit noticed that AAP was not prepared in any of the eight test-checked ULBs. In the absence of AAP, the overall district plan could not emerge. Preparation of AAP by ULBs and their consolidation along with the plans of the PRIs is crucial to ensure incorporation of local needs and wants in the development process. In the absence of planning, the element of popular participation was compromised. Though the issue was brought to the notice of the State Government in the ATIR for the year ended 31 March 2016, no appropriate action has been taken as yet to ensure compliance with the provision of the Act *ibid*.

4.7 Audit arrangement

4.7.1 Primary Auditor

Under Section 72(1) of the MMA, 1994, the Director, Local Fund Audit (DLFA) is the Primary Auditor for ULBs and conducts audit of the accounts of MCs, NPs and STC. Under Technical Guidance and Support (TG&S) arrangement, the DLFA needs to forward the Annual Audit Plan to the Accountant General (Audit), Manipur {AG (Audit)}. The AG (Audit) would select some of the Inspection Reports (IRs) of the DLFA on the audit of the ULBs for review and make suggestion for improvement of existing system being followed by DLFA. Further the DLFA has to prepare Audit Report on PRIs and ULBs for placing before the State Legislature as recommended by the XIIIth Finance Commission (FC).

The DLFA stated (June 2017) that 16 out of 28 ULBs were audited during the year 2016-17. The Director further intimated that Annual Inspection Report for 2015-16 was prepared and placed before the State Legislature during July 2016. As per terms and conditions of Technical Guidance and Support (TG&S) entrustment, the AG (Audit) would also monitor the quality of the Inspection Reports (IRs) issued by the local fund auditor by scrutinising such IRs. The

DLFA was requested to furnish the list of units planned to be audited quarterly and those audited during same quarter so that Audit could test check some of the IRs by sampling from the list so furnished. However, DLFA did not furnish the requisite information. As such, the IRs issued by DLFA could not be monitored and suggestions for improvement of the existing system under TG&S arrangement could not be provided to DLFA.

4.7.2 Audit by Comptroller and Auditor General of India

The State Government had entrusted audit of ULBs to the Comptroller and Auditor General of India under TG&S arrangement. Accordingly, the AG (Audit), Manipur conducts audit of the accounts of ULBs under Section 20(1) of the CAG's (DPC) Act, 1971. However, necessary amendment in the relevant State Acts/Rules to facilitate implementation of terms and conditions of TG&S was yet to be carried out by the Government. The result of audit of ULBs are being featured in the Annual Technical Inspection Report (ATIR) and submitted to the State Government for necessary action. The ATIR is being placed in the State Legislature.

As per paragraph 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 on the line of Public Accounts Committee for discussion of the Audit Report on Local Bodies. However, there was no separate Committee in the State legislature for discussion of ATIR. The ATIR for the year ended 31 March 2012 was discussed by the Public Accounts Committee (PAC) of the Manipur State Legislature. ATIRs for the years ended 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016 though placed before the State Legislature are yet to be discussed (July 2018).

This Report for the year ended 31 March 2017 contains the result of audit of accounts of eight test checked ULBs conducted during 2016-17.

4.8 Response to audit observations

The position of IRs and outstanding paragraphs yet to be settled during the period from 2012-13 to 2016-17 is shown in **Table No. 4.3**:

Table No. 4.3 Details of IRs and outstanding paragraphs in respect of ULBs

| Year | IRs | Paragraphs | Money Value (₹ in lakh) |
|--------------|-----------|------------|-------------------------|
| 2012-13 | 11 | 51 | 29.71 |
| 2013-14 | 10 | 105 | 353.80 |
| 2014-15 | 8 | 66 | 360.67 |
| 2015-16 | 9 | 56 | 1,969.68 |
| 2016-17 | 8 | 89 | 1,503.29 |
| Total | 46 | 367 | 4,217.15 |

As evident in the above table, 367 paragraphs of 46 IRs with money value of ₹ 42.17 crore during the last five years were yet to be settled. Replies to the outstanding IRs pertaining to the period from 2012-13 to 2016-17 were not furnished despite issue of reminders and attempts to review in the subsequent audits.

Accountability Mechanism and Financial Reporting Issues

4.9 Accountability mechanism

4.9.1 Ombudsman

The XIIIth FC recommended the constitution of a Local Body Ombudsman to look into the complaints of corruption and maladministration against the functionaries of Local Bodies – both elected representatives and officials and to recommend suitable action. This requires enactment of legislation and its notification.

The Department stated (October 2017) that the Manipur Municipality Ombudsman, Act 2013, has been in force since 15 October 2013. However, the State Government has not yet appointed Ombudsman for the ULBs of the State. Reasons for not appointing Ombudsman were called for (December 2017). However, the reply was not received (July 2018).

4.9.2 Lok Ayukta

The XIIIth FC recommended that where all or a class of elected representatives or officials fall under the jurisdiction of the Lok Ayukta of the State, the States may decide whether those functionaries should be shifted to the Ombudsman or to continue under the jurisdiction of the Lok Ayukta.

The Department stated (October 2017) that the State Government has not yet constituted Lok Ayukta of the State. Reason for non-constitution of Lok Ayukta was called for (December 2017). However, the reply was not received (July 2018).

4.9.3 Property Tax Board

Property Tax Board is to assist all Municipalities and Municipal Corporations in the State to put in place an independent and transparent procedure for assessing property tax. Information regarding the status of Property Tax Board in the State was sought from Director, MAHUD, Government of Manipur.

The Department stated (October 2017) that the State Government has constituted the Manipur Municipality Property Tax Board (August 2016) to exercise the powers and functions assigned to it under the Manipur Municipalities Act, 1994. The present status of functioning of the Board has been called for (December 2017); however, reply was not received (July 2018).

4.9.4 Service Level Benchmark

As per recommendation and guidelines of the XIIIth FC, the State Government must gradually put in place standards for delivery of all essential service sector like water supply, sewerage, storm water drainage and solid waste management provided by Local Bodies. The State Government must notify or cause all the Municipalities to notify by the end of a fiscal year (31 March) the service standards of four service sectors proposed to be achieved by them by the end of the succeeding fiscal year. This could be in the form of a minimum level of service for the indicators mentioned against each at these four service sectors in the “Handbook on Service Level Benchmark” published by the Ministry of Urban Development.

The information regarding Service Level Benchmark of four core services set by the Government was not available in any of the test checked ULBs. Notification of the State Government to that effect was also not available

In the absence of the above benchmark, the level of delivery of essential services by the ULBs could not be ascertained.

4.9.5 Submission of Utilisation Certificates

As per guidelines for release and utilization of grant recommended under XIVth Finance Commission Award (XIVth FCA), the 1st instalment shall be released unconditionally. Further instalments would be released by the Ministry of Finance after receipt of the Utilization Certificates (UCs) for the previous instalment in the prescribed format. Information regarding the submission of Utilization Certificates by the ULBs under Central Finance Commissions is shown in **Table No. 4.4**:

Table No. 4.4 Submission of UCs under Central Finance Commissions

(₹ in crore)

| Sl. No. | Year | Total Fund released to ULBs during the year | Utilisation Certificates submitted |
|--------------|---------|---------------------------------------------|------------------------------------|
| 1 | 2015-16 | 15.98* | 15.98 |
| 2 | 2016-17 | 11.05 | 11.05 |
| Total | | 27.03 | 27.03 |

Source: Data consolidated from the data received from MAHUD Department.

** includes ₹6.26 crore of XIIIth FC grant for the year 2013-14.*

As evident from the table above, there was no pending UC for submission for the years 2015-16 to 2016-17.

However, the proper time frame for submission of UCs was not mentioned by the IInd Manipur State Finance Commission (MSFC). In the absence of specific time frame for submission of UCs under SFC, proper monitoring of funds utilised by the ULBs during the year could not be ensured.

4.9.6 Internal Control System of Urban Local Bodies

As per Section 72(2) of the MMA, 1994, every Municipality shall maintain such accounts for every financial year in such forms as may be prescribed and submit such statement to the Deputy Commissioner, the Director (MAHUD) and the State Government and such accounts shall be audited by the DLFA of the Government of Manipur.

Efficient functioning of ULBs depends on proper internal control mechanism. Proper internal control mechanism provides assurance about the proper maintenance of records and regulates the implementation of various schemes/programmes. Audit noticed that internal control mechanism in the ULBs was very weak. The records of submission of annual accounts to the concerned authorities were not available in any of the test checked ULBs which indicated that the internal control in ULBs was weak.

4.10 Financial reporting issues

4.10.1 Source of Funds

The finances of the ULBs comprises own sources, grants and assistance from Government of India (GoI) and State Government. Sections 74 and 75 of the MMA, 1994, empower the ULBs, being the Local Self-Government, to impose

taxes and collect fees for various services rendered by them. The Joint Director, MAHUD reported (July 2018) that there was no direct funding to ULBs not routed through the State Government. The grants/assistance released to ULBs by the State and Central Government and their own sources of revenue during 2012-13 to 2016-17 are shown in **Table No. 4.5**:

Table No. 4.5 Time series data of resources of ULBs

(₹ in crore)

| Source of Fund | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|----------------------------------------------------|--------------|--------------|--------------|--------------|---------|
| GoI/State grants for Centrally Sponsored Schemes | 21.46 | 5.94 | 13.58 | 26.96 | 51.24 |
| Central Finance Commission | 4.82 | 5.91 | 10.85 | 22.24 | 11.05 |
| State Finance Commission | 11.25 | 11.25 | 24.19 | 14.68 | * |
| Salaries/Honorariums/ Hiring of Staff and Building | 12.97 | 11.14 | 13.92 | 9.20 | 3.64 |
| Own Revenue | 1.94 | 2.85 | 4.04 | 3.79 | # |
| Total | 52.44 | 37.09 | 66.58 | 76.87 | |

Source: Compiled from the records furnished by MAHUD Department.

* as per available information, ₹ 15 crore was received. However, the same could not be released during the year. The amount was sanctioned by the State Government on 30 March 2017.

Information could not be furnished by the Department.

4.10.2 Recommendations of the State Finance Commission (SFC)

The Constitution vide its Seventy-Third Amendment and Seventy-Fourth Amendment Acts mandated to constitute State Finance Commission (SFC) every five years to determine sharing of revenue between the State and Local Bodies. As of March 2017, three State Finance Commissions were constituted in the State. The IIIrd Manipur State Finance Commission (MSFC) was constituted in February 2013 and covers a period of five years from 1 April 2013 to 31 March 2018. The report of the Commission was laid on the floor of the Assembly on 21 December 2015. As per the recommendations of IIIrd MSFC, the State Government is required to transfer 10 per cent of the State's own revenue including the State's share of Central taxes to the Local Bodies including the Autonomous District Councils (ADCs). Out of 10 per cent, 22.49 per cent was to be transferred to ULBs. The position of funds released under IIIrd MSFC during 2015-16 and 2016-17 is shown in **Table No. 4.6**:

Table No. 4.6 Funds transferable vis-à-vis actual funds transferred

(₹ in crore)

| Year | State revenue including State share of net proceeds of Union taxes | Amount transferable to rural Local Bodies including ADCs (10 per cent) | Amount transferable to ULBs (22.49 per cent) | Amount actually released to ULBs | Short release against recommendation of SFC to ULBs | Percentage of short release |
|---------|--------------------------------------------------------------------|------------------------------------------------------------------------|----------------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 = (4-5) | 7 |
| 2015-16 | 3,842.34 | 384.23 | 86.41 | 14.68 | 71.73 | 83 |
| 2016-17 | 4,508.60 | 450.86 | 101.40 | - * | 101.40 | 100 |

Source: Finance Accounts, Government of Manipur and information consolidated from the data received from MAHUD Department.

* ₹15 crore was received by MAHUD during 2016-17. However, the same could not be encashed during the year.

It is evident from the table above that no SFC funds were released to the ULBs during 2016-17. Such shortfall in fund transfer would impede the development works in Urban Local Bodies of the State. Reasons for short release and non-release of fund were called for (December 2017). However, the reply was not received (July 2018).

4.10.3 Maintenance of Accounts by Urban Local Bodies

The Ministry of Urban Development, Government of India in consultation with the CAG of India developed the National Municipal Accounts Manual (NMAM) (December 2004) for ULBs. The NMAM is based on accrual based double entry accounting system for greater transparency and control over finances of ULBs. The ULBs were required to prepare their budget and maintain their accounts in the formats as prescribed in the NMAM with appropriate codifications and classifications. The MMA, 1994 stipulates that every ULB is mandated to maintain its accounts as prescribed. Further, the State Government also issued an order in March 2011 for adoption of NMAM in maintenance of their accounts with immediate effect in all ULBs in the State.

It was observed in audit that none of the test-audited ULBs either prepared annual accounts or adopted NMAM as of March 2017.

4.11 Conclusion

Devolution of functions and funds to ULBs were not sufficient. The State Government had devolved ten functions as on date of audit to ULBs out of 18 subjects along with the funds and functionaries to be devolved as per XIIth Schedule of the Constitution of India. Annual Action Plan for the district as a whole was not prepared. Internal control mechanism in ULBs was very weak. No fund was released to the ULBs during 2016-17 against the recommendation of the IIIrd Manipur State Finance Commission. None of the test checked ULBs prepared annual accounts as prescribed in the National Municipal Accounts Manual.

4.12 Recommendations

The Government may consider to:

- Transfer funds, functions and functionaries to ULBs related to the subjects listed in the XIIth Schedule of the Constitution of India;
- Prepare Annual Action Plan by the ULBs;
- Strengthen internal control mechanism in ULBs;
- Transfer funds to ULBs as recommended by IIIrd Manipur State Finance Commission; and
- Prepare Annual Accounts as per prescribed format.

CHAPTER-V

Compliance Audit of Urban Local Bodies

CHAPTER-V

Compliance Audit of Urban Local Bodies

5.1 Diversion of fund- ₹ 21.70 lakh

The Directorate of Municipal Administration, Housing and Urban Development (MAHUD) released (April 2015) ₹ 86.98 lakh to Kakching Municipal Council (MC) under the Assignment to Local Bodies and Other Aided Institutions (Non-Plan) for the year 2014-15 as per recommendation of the IInd Manipur State Finance Commission. Out of the total release, ₹ 21.70 lakh was for purchase of land for solid waste dumpsite and land development which should be executed at the Municipal Council level.

Test check of records (February 2017) revealed that the funds released for purchase of land for solid waste dumpsite and land development were diverted for construction of Office building (North Block) at Kakching Municipal Office campus. The reasons for diversion of the funds were not available on record. Thus the intended benefits of the land required for dumping solid waste of the MC was frustrated due to diversion of fund.

The matter was referred to the Department (September 2017). Reply was not received (July 2018).

5.2 Diversion of XIIIth Finance Commission Grants- ₹ 4.11 lakh

As per guidelines issued by the Ministry of Finance on utilisation of grants recommend by the XIIIth Finance Commission, the grants were to be utilised on four service sectors viz. water supply, sewerage, solid waste and storm water drainage.

Test check of records (January 2017) revealed that Bishnupur MC received (June 2015) ₹ 4.11 lakh as 1st instalment (General Basic Grants of 2013-14) under XIIIth FC award. The Director, MAHUD clearly instructed the MC to utilise the amount for the four service sectors. However, the MC utilised the full amount on 'Construction of Vehicles Garage at Municipal Campus'. The diversion of funds thereby deprived the Municipality of the intended benefits specified under the scheme.

The reason for utilisation of the funds meant for development works towards administrative expenses of the Municipality were called for (September 2017). However, no reply was received (July 2018).

5.3 Payment without measurement- ₹ 1.59 crore

As per Section 7 of Manipur Public Works Department (MPWD) Works Manual, payment for execution of work should be on the basis of the measurement made and recorded in the Measurement Book (MB). The measurement book is the basis of all accounts of quantities whether of works done by contractors or by labourers employed departmentally, or materials received. It should be so written that the transactions are readily traceable. These books should be considered as very important accounts records and maintained very carefully and accurately as these may have to be produced as evidence in a court of law, if and when required.

Test check of records (January 2017) of Moirang MC revealed that ₹ 1.59 crore was spent during 2014-16 for execution of 73 works at the Ward level from the fund received under XIIIth and XIVth Finance Commission and Assignment to Local Bodies and Other Aided Institutions (**Appendix-5.1**). The works were executed through Beneficiary Secretaries in 12 Wards without call of tender at pre-determined rates/amounts based on the source of the fund as shown in **Table No. 5.1:**

Table No. 5.1. Abstract of works executed without tender and measurement

| Sl. No. | Source of fund | No. of works | Rate per work (₹) | Amount (₹) |
|---------|-----------------------------------------------------------------------------------------------|--------------|--------------------|--------------------|
| 1 | XIII th Finance Commission (GBG) for the year 2012-13, 1 st Inst. | 12 | 1,45,492 | 17,45,904 |
| 2 | XIII th Finance Commission (GBG) for the year 2012-13, 2 nd Inst. | 12 | 1,45,000 | 17,40,000 |
| 3 | XIII rd Finance Commission (GBG & GPG) for the year 2013-14, 1 st Inst. | 12 | 2,16,387 | 25,96,644 |
| 4 | XIV th Finance Commission (GBG) for the year 2015-16, 1 st Inst. | 12 | 1,90,785 | 22,89,420 |
| 5 | Assignment to Local Bodies & OAI (Non-Plan) for the year 2013-14 | 12 | 2,93,000 | 35,16,000 |
| 6 | Assignment to Local Bodies & OAI (Non-Plan) for the year 2014-15 | 13 | 68,449 to 3,37,218 | 40,44,348 |
| | Total | 73 | | 1,59,32,316 |

The works were stated to have been completed and the UCs were also submitted to the Directorate, MAHUD. However, there was neither record of measurement of the works nor record of physical verification to ascertain that the works were executed and completed as per specification. As such, Audit could not vouch for the actual execution of the said works.

The reason for payments without preparing MB was called for (September 2017). However, no reply was received (July 2018).

5.4 Less collection of rent- ₹ 8.83 lakh

Test check of records (January 2017) of Thoubal Municipal Council revealed that as per the Office Memorandum of the MC dated 15 July 2014, the shop rent was fixed at ₹ 1,000/- per month.

However, Audit observed that rent of 59 shops at four different places, namely Thoubal Wangmataba (Ground Floor and First Floor), Thoubal Athokpam Bazar and Thoubal Athokpam Makha (Heikreng makhong) were collected at the rate of ₹ 500, ₹ 350, ₹ 300 and ₹ 150 per month respectively. Thus, the total revenue collected as shop rent for the period from June 2014 to March 2016 was ₹ 4.15 lakh against the realizable amount of ₹ 12.98 lakh as per the above OM of the MC thereby resulting in less collection of rent to the tune of ₹ 8.83 lakh (**Appendix-5.2**).

The matter was referred to the MC (September 2017); however, no reply was received (July 2018).

5.5 Excess payment of honorarium- ₹ 9.68 lakh

Under Section 35 of the Manipur Municipalities Act, 1994 the State Government fixed the monthly honorarium of Chairperson, Vice-chairperson and Councillors of Municipal Council/Nagar Panchayat/Small Town Committee of Manipur at the rate of ₹ 6000, ₹ 5000 and ₹ 3000 respectively *w.e.f.* 01 January 2012.

Test check of records (January 2017) revealed that, during 2015-16 the Imphal Municipal Corporation (IMC) paid honorarium of ₹ 13.12 lakh to 27 councillors/corporators (including Chairperson, Vice-chairperson and Councillors) for four months at the rate of ₹ 15,000, ₹ 13,000 and ₹ 12,000 per month respectively against the payable amount of ₹ 3.44 lakh as prescribed by the Government. There was no record to show that the rates were revised after upgradation to Municipal Corporation. This resulted in excess payment of honorarium amounting to ₹ 9.68 lakh.

The matter was referred to the Department (August 2017); however, the reply was awaited (July 2018).



(Elvina Lalmuanpuii Leivon)

Deputy Accountant General (Local Bodies), Manipur

Imphal
The

Countersigned



(Chhering Angrup Bodh)

Principal Accountant General (Audit), Manipur

Imphal
The

APPENDICES

Appendix-1.1

(Reference: Paragraph No. 1.3)

Activity map for 16 line Departments to be transferred to Panchayati Raj Institutions

| Sl. No. | Department | Activities to be transferred to ZPs | Activities to be transferred to GPs |
|---------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Transport | i) Maintenance of Bus stands and terminus along National/State High ways/District Roads ii) Collection of parking fees as prescribed by the Transport Department under a notification | i) Maintenance of Bus Stand along Inter Village Roads ii) Collection of parking fees in the rural markets in the respective areas of GPs |
| 2 | Health | To manage all public health institutions under National Rural Health Mission(NRHM) | Implementation of activities, preparation of village action plan under NRHM |
| 3 | Veterinary & Animal Husbandry. | i) Maintenance of Veterinary Dispensaries, Health Centres ii) Distribution of fodder seeds | i) Identification of beneficiary trainees for the schemes programmes through a meeting of Gram Sabha ii) Identification of beneficiaries for fodder cultivation |
| 4 | Fisheries | i) Selection of beneficiaries under Centrally Sponsored Scheme Fish Farmers Development Agency programmes/schemes ii) Distribution of feed/fishing equipment to progressive farmers | Identification of beneficiaries through Gram Sabha |
| 5 | Rural Development. | i) Planning and implementation of works programmes/shelf of projects ii) b) Implementation, supervision and monitoring of various Centrally Sponsored Schemes Poverty Alleviation programmes | i) Identification of location of works with the approval of the Gram Sabha ii) Identification of location of works with the approval of the Gram Sabha |
| 6 | Education (School) | i) Organisation of Adult Education/Non Formal education centres ii) Repair and maintenance of primary school building | i) Selection of adult Education/Non-Formal Education centres ii) Identification of works through Gram Sabha & formation of beneficiaries committee |
| 7 | Industries | i) Association in selection of beneficiaries of Khadi and Village Industries and entrepreneurs in service sector ii) Association with the task force for selection of beneficiaries under Pradhan Mantri Rozgar Yojana | Recommendation of beneficiaries through Gram Sabha |

| Sl. No. | Department | Activities to be transferred to ZPs | Activities to be transferred to GPs |
|---------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| 8 | Agriculture | i) Distribution of improved agricultural tools & implements and other inputs to farmers ii) Establishment & maintenance of rural markets | i) Selection of beneficiaries through Gram Sabha ii) Selection of suitable marketing sites through Gram Sabha |
| 9 | Horticulture | i) Implementation of a) Expansion programmes; and b) Demonstration programmes ii) a) Assistance to small marginal farmers in the construction of small Engineering Structure and land levelling; and b) Construction of water harvesting structure | Selection of beneficiaries/sites through Gram Sabha |
| 10 | Tribal Development | i) Implementation of family oriented schemes like Animal Husbandry, Fisheries, Industries, etc. ii) Maintenance of village approach roads, community hall, school buildings iii) Implementation of rural shelters scheme for Scheduled Caste | Selection of beneficiaries through Gram Sabha. |
| 11 | Cooperation | Recovery of crop loan and extending credit to farmers with the assistance of Manipur State Cooperative Bank (MSCB) | To associate with the Deptt/ ZPs/MSCB in the recovery of loan and identification of farmers for extending crop loans |
| 12 | Minor Irrigation | i) Maintenance of River Lift Irrigation & Surface Flow schemes and collection of water charges ii) Association with the task force for selection of beneficiaries under Pradhan Mantri Rozgar Yojana | Identification of work sites and collection of water charges |
| 13 | Arts & Culture | i) Supervision and monitoring of cultural programmes. ii) Maintenance of rural libraries under Raja Ram Mohan Roy and Rajiv Gandhi Foundations. | Implementation of cultural programmes through cultural Non-Governmental Organisations (NGOs) |
| 14 | Social Welfare | i) Supervision, Implementation and monitoring of programmes ii) Prevention of drug abuse. iii) Implementation of BSY (Balika Samridhi Yojana) Schemes | Identification of beneficiaries |

| Sl. No. | Department | Activities to be transferred to ZPs | Activities to be transferred to GPs |
|---------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| 15 | Science & Technology | i) Establishment of non-conventional energy sources such as bio gas plants/solar cooking plants ii) Introduction of smokeless chulha. iii) Improved portable chulha | Selection of beneficiaries with the approval of Gram Sabha |
| 16 | Family Welfare | Implementation of Family Welfare scheme | Selection of beneficiaries through Gram Sabha |

Appendix-1.2

(Reference: Paragraph No. 1.3)

Transfer of funds, functions and functionaries to ZPs and GPs as on 31 March 2017

| Sl. No. | Department | Latest status on functionaries transferred | Latest status on fund transferred | |
|---------|------------------------------------|----------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------|
| | | | Year | Amount |
| 1 | Fisheries | 1-Inspector, 1 - Field Assistant to each ZP | 2012-13 | ₹ 1.5 lakh |
| | | | 2013-14 | ₹ 1.5 lakh |
| | | | 2014-15 | Nil |
| | | | 2015-16 | Nil |
| | | | 2016-17 | Nil |
| 2 | Horticulture | 1 - Assistant Agriculture Officer, 1 - Assistant Horticulture Inspector and 1 - Soil Surveyor to each ZP | 2012-13 | ₹ 2 lakh |
| | | | 2013-14 | ₹ 6 lakh |
| | | | 2014-15 | ₹ 6 lakh |
| | | | 2015-16 | ₹ 6 lakh |
| | | | 2016-17 | ₹ 6 lakh |
| 3 | Tribal Development | 1 - Extension Officer (Agriculture), 1 - Field Assistant & 1 - Road Mohorri to each ZP | 2009-10 to 2016-17 | Nil |
| 4 | Rural Development & Panchayati Raj | 1-Extension Officer (P), 1-Upper Divisional Clerk, 1-Accountant to each ZP and 1-Panchayat Secretary each to 161 GPs | 2012-13 | ₹ 2,062 lakh |
| | | | 2013-14 | ₹ 2,062 lakh |
| | | | 2014-15 | ₹ 2,062 lakh |
| | | | 2015-16 | ₹ 2,368 lakh |
| | | | 2016-17 | ₹ 2,353 lakh |
| 5 | Science & Technology | 1 - SDO (Extn), 1 - AEO and 1 - Field Assistant to each ZP | 2012-13 | 2,106 LED Lamps per ZP |
| | | | 2013-14 | 1,229 LED Lamps per ZP |
| | | | 2014-15 | 1,148 CFL per ZP |
| | | | 2015-16 | Nil |
| | | | 2016-17 | 1,229 LED Lamps per ZP |
| 6 | Veterinary & Animal Husbandry | 1 - SDO (Extn), 1 - AEO and 1 - Field Assistant to each ZP | 2012-13 | 100 chicks per ZP |
| | | | 2013-14 | 100 chicks per ZP |
| | | | 2014-15 | 125 chicks per ZP |

| Sl. No. | Department | Latest status on functionaries transferred | Latest status on fund transferred | |
|---------|--------------------|--------------------------------------------|-----------------------------------|--------|
| | | | Year | Amount |
| | | | 2015-16 | Nil |
| | | | 2016-17 | Nil |
| 7 | Social Welfare | Not transferred | Not transferred | |
| 8 | Minor Irrigation | Not transferred | Not transferred | |
| 9 | Agriculture | Not transferred | Not transferred | |
| 10 | Industries | Not transferred | Not transferred | |
| 11 | Co-operation | Not transferred | Not transferred | |
| 12 | Transport | Not transferred | Not transferred | |
| 13 | Health | Not transferred | Not transferred | |
| 14 | Arts & Culture | Not transferred | Not transferred | |
| 15 | Family Welfare | Not transferred | Not transferred | |
| 16 | Education(schools) | Not transferred | Not transferred | |

Appendix-1.3

(Reference: Paragraph No. 1.4)

The roles and responsibilities of Standing Committees of Gram Panchayats and Zilla Parishads of Panchayati Raj Institutions

| Gram Panchayat | Zilla Parishad |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Production Committee for performing functions relating to agricultural products, animal husbandry and rural industries and poverty alleviation programmes | General Standing Committee shall perform functions relating to the establishment matters and functions relating to communication, building, rural housing, village extension, relief against the natural calamities and allied matters and other matters |
| Social Justice Committee for performing functions relating to: i) promotion of education, economic, social, cultural and other interest of the Scheduled Caste and Scheduled Tribes and Backward Classes; ii) protection of such castes and classes from social injustice and any form of exploitation; and iii) Welfare of women and children | Finance Audit and Planning Committee shall perform the functions relating to: i) the finances of the ZP, framing of budgets, scrutinizing proposals for increasing revenue, examination of receipts and expenditure statements, consideration of all proposals affecting the finances of the ZP and general supervision of the revenue and expenditure of the ZP; and ii) the plan priorities, allocation of outlays to developments, horizontal and vertical linkages, implementation of guidelines issued by the Government, regular review of planning programmes, evaluation of important programmes and small savings schemes. |
| Amenities Committee to perform functions in respect of education, public health, public works and other functions of the Gram Panchayat | Social Justice Committee shall perform functions relating to: i) promotion of education, economic, social, cultural and other interests of the Scheduled Castes, Scheduled Tribes and Backward Classes; ii) protecting them from social injustice and all other forms of exploitation; |

| Gram Panchayat | Zilla Parishad |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | iii) amelioration of the Scheduled Castes, the Scheduled Tribes and Backward Classes; and iv) Securing social justice to the Scheduled Castes, the Scheduled Tribes, women and other weaker sections of the society |
| | Education and Health Committee shall: i) be in-charge of all educational activities of the ZP; ii) undertake the planning of education in the district within the framework of the national policy and the central and the state plans; iii) survey and evaluate the educational activities of the ZP; iv) perform such other duties pertaining to education, adult literacy and cultural activities as the ZP may assign to it; and v) health services, hospitals, water supply, family welfare and other related matters |
| | Agriculture and Industry Committee shall perform functions relating to: i) Agriculture production, animal husbandry, co-operation, contour bunding and reclamation; ii) village and cottage industries; and iii) promotion of industrial development of the district. |
| | The Works Committee shall perform functions relating to maintenance of:- i) roads including district roads, bridges, culverts; ii) buildings under its control or transferred by the Government or any public authority; and iii) boats, ferries, waterways. |

Appendix-2.1

(Reference: Paragraph No. 2.1.4)

List of 33 sampled PRIs

| Sl. No. | Name of Block/ District | Name of PRIs |
|---------|-------------------------|------------------------|
| 1 | Bishnupur District | Bishnupur ZP |
| 2 | Imphal East District | Imphal East ZP |
| 3 | Imphal West District | Imphal West ZP |
| 4 | Thoubal District | Thoubal ZP |
| 5 | Bishnupur CD Block | Thinungei GP |
| 6 | Bishnupur CD Block | Keinou GP |
| 7 | Bishnupur CD Block | Phubala GP |
| 8 | Bishnupur CD Block | Khoijuman Kwasiphai GP |
| 9 | Imphal East-II CD Block | Top Chingtha GP |
| 10 | Imphal East-II CD Block | Bashikhong GP |

| Sl. No. | Name of Block/ District | Name of PRIs |
|---------|-------------------------|---------------------------|
| 11 | Imphal East-II CD Block | Thambalkhong GP |
| 12 | Imphal East-II CD Block | Keirao GP |
| 13 | Imphal East-II CD Block | Kshetrigao Part-1GP |
| 14 | Imphal East-II CD Block | Thongju Pt-II GP |
| 15 | Imphal East-II CD Block | Torban Kshetri Leikai GP |
| 16 | Imphal East-II CD Block | Tulihal GP |
| 17 | Imphal West-I CD Block | Patsoi GP |
| 18 | Imphal West-I CD Block | Kanglatongbi GP |
| 19 | Imphal West-I CD Block | Mayang Langjing GP |
| 20 | Imphal West-I CD Block | Khonghampat GP |
| 21 | Imphal West-I CD Block | Lamjaotongba GP |
| 22 | Imphal West-I CD Block | Moidangpok GP |
| 23 | Imphal West-I CD Block | Phumlou GP |
| 24 | Imphal West-I CD Block | Sagolband Sapam Leirak GP |
| 25 | Thoubal CD Block | Leirongthel Ningel GP |
| 26 | Thoubal CD Block | Tekcham GP |
| 27 | Thoubal CD Block | Heirok Part-II GP |
| 28 | Thoubal CD Block | Oinam Sowombung GP |
| 29 | Thoubal CD Block | Langathel GP |
| 30 | Thoubal CD Block | Wangjing GP |
| 31 | Thoubal CD Block | Irong Chesaba GP |
| 32 | Thoubal CD Block | Khangabok Pt-III GP |
| 33 | Thoubal CD Block | Moijing GP |

Appendix-2.2

(Reference: Paragraph No. 2.1.8.3)

Delay in transfer of funds to the PRIs and interest payable for delay in transfer

| Sl. No. | Funds | Amount (₹ in lakh) | Date of release by GoI | Due date of transfer | Date of transfer to PRIs | Delay (days) | RBI Bank Rate (%) | Interest payable (₹) |
|---------|-----------------------------------------------------------------|-----------------------|---------------------------|-------------------------|--------------------------------|-----------------|-------------------------|-------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7=6-5 | 8 | 9 |
| 1 | XIII th FC 2011-12 GBG 1 st Instalment | 708.95 | 20/02/2013 | 25/02/2013 | 25/03/2013 | 28 | 8.75 | 4,75,871 |
| 2 | XIII th FC 2013-14 GPG 1 st Instalment | 641.85 | 28/01/2014 | 02/02/2014 | 18/02/2014 | 16 | 9 | 2,53,223 |
| 3 | XIII th FC 2013-14 GPG 2 nd Instalment | 615.29 | 29/03/2014 | 03/04/2014 | 08/04/2014 | 5 | 9 | 75,858 |
| 4 | XIII th FC 2014-15 GPG | 381.46 | 31/03/2014 | 05/04/2014 | 08/04/2014 | 3 | 9 | 28,218 |
| 5 | XIII th FC 2011-12 GBG 2 nd Instalment | 708.95 | 06/05/2014 | 11/05/2014 | 21/05/2014 | 10 | 9 | 1,74,810 |
| 6 | XIII th FC 2012-13 GBG 1 st Instalment | 797.91 | 03/07/2014 | 08/07/2014 | 18/07/2014 | 10 | 9 | 1,96,746 |
| 7 | XIII th FC 2012-13 GBG 2 nd Instalment | 797.91 | 23/07/2014 | 28/07/2014 | 16/08/2014 | 19 | 9 | 3,73,814 |

| Sl. No. | Funds | Amount (₹ in lakh) | Date of release by GoI | Due date of transfer | Date of transfer to PRIs | Delay (days) | RBI Bank Rate (%) | Interest payable (₹) |
|--------------|-----------------------------------------------------------------|-----------------------|---------------------------|-------------------------|--------------------------------|-----------------|-------------------------|-------------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7=6-5 | 8 | 9 |
| 8 | XIII th 2013-14 GBG 1 st Instalment | 920.50 | 04/09/2014 | 09/09/2014 | 24/09/2014 | 15 | 9 | 3,40,460 |
| 9 | XIII th FC 2013-14 GBG 2 nd Instalment | 920.50 | 13/10/2014 | 18/10/2014 | 29/10/2014 | 11 | 9 | 2,49,670 |
| 10 | XIII th FC 2014-15 GBG 1 st Instalment | 920.36 | 21/11/2014 | 26/11/2014 | 12/12/2014 | 16 | 9 | 3,63,101 |
| 11 | XIII th FC 2014-15 GBG 2 nd Instalment | 1,091.88 | 20/02/2015 | 25/02/2015 | 26/03/2015 | 29 | 8.75 | 7,59,081 |
| 12 | XIII th FC 2014-15 GPG 2 nd Instalment | 597.30 | 31/03/2015 | 05/04/2015 | 14/05/2015 | 39 | 8.5 | 5,42,479 |
| 13 | XIV th FC 2015-16 GBG 1 st Instalment | 1,113.00 | 30/06/2015 | 15/07/2015 | 27/07/2015 | 12 | 8.25 | 3,01,882 |
| 14 | XIV th FC 2015-16 GBG 2 nd Instalment | 1,112.00 | 01/02/2016 | 16/02/2016 | 04/04/2016 | 49 | 7.75 | 11,33,326 |
| 15 | XIV th FC 2016-17 GBG 1 st Instalment | 1,540.00 | 09/11/2016 | 24/11/2016 | 18/01/2017 | 55 | 6.75 | 15,66,370 |
| 16 | XIV th FC 2016-17 GPG | 404.00 | 15/03/2017 | 30/03/2017 | 17/04/2017 | 18 | 6.75 | 1,34,482 |
| Total | | | | | | | | 69,69,391 |

Appendix-2.3

(Reference: Paragraph No. 2.1.8.4)

Conditions for availing performance grant as per the XIIIth FC guidelines

| Sl. No. | Reference para of the XIII th FC guidelines | Conditions |
|---------|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | 6.1 | Panchayats as defined in the Constitution can exist only when they are constituted as per the provisions of articles 243B and 243C. Hence States covered under Part IX of the Constitution, where elections to Panchayats have not been held, will not be eligible for this grant for the period during which there are no elected Panchayats. |
| 2 | 6.2 | Release of any instalment will be subject to a utilization certificate for the previous instalment drawn. |
| 3 | 6.4.2 | <p>(a) The State Government must put in place a supplement to the budget documents separately for PRIs, furnishing details (other than those relating to Finance Accounts) as under:</p> <ul style="list-style-type: none"> (i) the details of plan and non-plan wise classification of transfers separately for all tiers of PRIs, from major head to object head, which have been depicted in the main budget under the minor heads 196, 197 and 198; and 191, 192 and 193 respectively (para 10.110); (ii) details of funds transferred directly to the local bodies outside the State Government's budget; and (iii) details of spatial distribution of transfers at least upto district level. <p>(b) States must adopt an accounting system for maintenance of accounts by PRIs and a codification pattern consistent with the Model Accounting System for Panchayats.</p> <p>(c) States will allot specific codes to each Zilla Parishad, Block Panchayat and Gram Panchayat. An eight-digit data base format prescribed by the Comptroller and Auditor General of India (CAG) for local bodies should be adopted for compilation. Arrangements are to be put into place for consolidation of accounts at the national level.</p> <p>(d) States should implement in all ULBs an accounting framework consistent with accounting format and codification pattern suggested in the National Municipal Accounts Manual.</p> <p>(e) States will compile the eight data base formats prescribed by CAG for panchayats.</p> |
| 4 | 6.4.3 | To demonstrate compliance with conditions in para 6.4.2(a)(b)(c)(d) and (e) above, State Government will submit (i) the relevant supplement to the budget documents; and (ii) certify that the accounting systems as recommended have been introduced in all rural and urban local bodies (para 10.161(i)). |

| Sl. No. | Reference para of the XIII th FC guidelines | Conditions |
|---------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | 6.4.4 | The State Government must put in place an audit system for all tiers of PRIs and for all categories of ULBs. CAG must be asked for Technical Guidance and Supervision (TG&S) over the audit of all the rural local bodies in a state at every tier and his Annual Technical Inspection Report as well as the Annual Report of the Director of Local Fund Audit must be placed before the state legislature. Certification from the CAG will demonstrate compliance with this condition [(para 10.161(ii)]. |
| 6 | 6.4.5 | <p>(i) The State Government must put in place a system of independent local body ombudsmen who will look into complaints of corruption and mal-administration against the functionaries of local bodies, both elected members and officials, and recommend suitable action. All elected functionaries and officials in all Zilla Parishads and in all municipal corporations and municipalities at least should come under the purview of ombudsman. The passage of relevant legislation and its notification will demonstrate compliance with this condition.</p> <p>(ii) In the event that all or a class of the functionaries mentioned above fall under the jurisdiction of the Lok Ayukta of the state, it will be upto the State to decide whether to continue with these arrangements or to shift the functionaries to the jurisdiction of the Ombudsman. Self- certification by State Governments will demonstrate compliance with this condition.</p> |
| 7 | 6.4.6 | The State Governments must put in place a system of transfer of funds as in para 4.2 above. Self-certification by the State Governments, with a description of the arrangements in place, will demonstrate compliance with this condition. |
| 8 | 6.4.7 | The State Governments must prescribe through an Act the qualifications of persons eligible for appointment as members of the State Finance Commissions (SFCs) consistent with Article 243 I (2) of the Constitution. The passage of relevant legislation and its notification will demonstrate compliance with this condition. |
| 9 | 6.4.8 | All local bodies must be fully enabled to levy property tax (including tax for all types of residential and commercial properties) and any hindrance in this regard must be removed. Self-certification by the State Government will demonstrate compliance with this condition. |

Appendix-2.4

(Reference: Paragraph No. 2.1.10.1)

Preparation of improper estimates

| Sl. No. | Name of the PRI | Name of the work | Estimated Amount (₹) | Date of starting | Date of completion | MSR to be applied | MSR applied |
|--------------|--------------------------|--------------------------------------------------------------------------------------|----------------------|------------------|--------------------|-------------------|-------------|
| 1 | Khonghampat GP | Construction of public water reservoir at Khonghampat Mantri Leikai | 4,00,000 | 01/08/2015 | 30/08/2015 | MSR 2013 | MSR 2015 |
| 2 | Mayang Langjing GP | Construction of public toilet at Mayang Langjing Taning Awang Leikai near Gym Campus | 2,00,000 | 19/08/2014 | 18/09/2014 | MSR 2013 | MSR 2015 |
| 3 | Mayang Langjing GP | Construction of public pond at Mayang Langjing Taning. | 4,60,023 | 12/12/2014 | 11/01/2015 | MSR 2013 | MSR 2015 |
| 4 | Mayang Langjing GP | Expansion and deepening of public pond at Taningmakha leikai | 3,07,542 | 03/04/2014 | 30/04/2014 | MSR 2013 | MSR 2015 |
| 5 | Mayang Langjing GP | Expansion and deepening of public pond at Mana Ingkhol | 1,90,667 | 03/04/2014 | 25/04/2014 | MSR, 2013 | MSR 2015 |
| 6 | Mayang Langjing GP | Expansion and deepening of public pond at Kameng Sabal with fencing | 3,92,821 | 18/07/2014 | 17/08/2014 | MSR 2013 | MSR 2015 |
| 7 | Torban Kshetri Leikai GP | Construction of slab culvert with pucca drain at Chanam Khong | 3,12,362 | 05/01/2015 | 15/03/2015 | MSR 2013 | MSR 2015 |
| 8 | Torban Kshetri Leikai GP | Construction of culvert with renovation of drain at Pukhrambam Leirak | 3,12,362 | 25/08/2015 | 20/12/2015 | MSR 2013 | MSR 2015 |
| 9 | Sapam Leirak GP | Construction of pucca drain at PCC ground southern side Phase-I | 2,11,000 | 11/04/2014 | 07/05/2014 | MSR 2013 | MSR 2015 |
| Total | | | 27,86,777 | | | | |

Appendix-2.5

(Reference: Paragraph No. 2.1.10.2(a))

Excess payment due to inclusion of contractor's profit in estimates

| Sl. No. | Name of the PRIs | Name of the Block | No. of works | Excess Amount (₹ in lakh) |
|--------------|---------------------------|-------------------------|--------------|---------------------------|
| 1 | Torban Kshetri Leikai GP | Imphal East-II CD Block | 12 | 4.17 |
| 2 | Keirao GP | Imphal East-II CD Block | 12 | 4.26 |
| 3 | Thambalkhong GP | Imphal East-II CD Block | 19 | 4.96 |
| 4 | Khangabok Part-III GP | Thoubal CD Block | 7 | 2.64 |
| 5 | Oinam Sawombung GP | Thoubal CD Block | 10 | 3.62 |
| 6 | Khonghampat GP | Imphal West-I CD Block | 14 | 4.81 |
| 7 | Mayang Langjing GP | Imphal West-I CD Block | 13 | 5.97 |
| 8 | Keinou GP | Bishnupur CD Block | 32 | 7.36 |
| 9 | Thinungei GP | Bishnupur CD Block | 27 | 5.07 |
| 10 | Phubala GP | Bishnupur CD Block | 28 | 8.75 |
| 11 | Khoijuman-kwasiphai GP | Bishnupur CD Block | 41 | 12.02 |
| 12 | Thongju Part-II GP | Imphal East-II CD Block | 18 | 6.2 |
| 13 | Tulihal GP | Imphal East-II CD Block | 18 | 4.23 |
| 14 | Imphal West ZP | Imphal West ZP | 79 | 14.22 |
| 15 | Kanglatongbi GP | Imphal West-I CD Block | 10 | 3.65 |
| 16 | Moidangpok GP | Imphal West-I CD Block | 17 | 4.46 |
| 17 | Sagolband Sapam Leirak GP | Imphal West-I CD Block | 18 | 5.22 |
| 18 | Phumlou GP | Imphal West-I CD Block | 16 | 4.87 |
| 19 | Wangjing GP | Thoubal CD Block | 12 | 4.31 |
| 20 | Bishnupur ZP | Bishnupur ZP | 62 | 17.47 |
| 21 | Bashikhong GP | Imphal East-II CD Block | 22 | 6.8 |
| 22 | Kshetrigao Pt-I GP | Imphal East-II CD Block | 27 | 8.12 |
| 23 | Top Chingtha GP | Imphal East-II CD Block | 20 | 6.39 |
| 24 | Langathel GP | Thoubal CD Block | 23 | 5.3 |
| 25 | Leirongthel Ningel GP | Thoubal CD Block | 6 | 2.05 |
| 26 | Lamjaotongba GP | Imphal West-I CD Block | 10 | 6.11 |
| 27 | Patsoi GP | Imphal West-I CD Block | 17 | 5.72 |
| 28 | Thoubal ZP | Thoubal ZP | 26 | 7.16 |
| Total | | | 616 | 175.91 |

Appendix-2.6*(Reference: Paragraph No. 2.1.10.2(b))***Excess payment due to error in estimate**

| Sl. No. | Name of the PRIs | Name of the work | Amount incurred (₹) | Amount due (₹) | Excess Payment (₹) | Remark |
|---------|--------------------------|--------------------------------------------------------------------------------------------------|---------------------|----------------|--------------------|----------------------------------------------------------------------------------------------|
| 1 | Torban Kshetri Leikai GP | Earthwork at Monkhang Lambi Modern Club Lampak | 3,12,411 | 80,116 | 2,32,295 | MSR for the item-filling of excavated earth was 69.30/cum. However, ₹ 271.73/cum was applied |
| 2 | Thinungei GP | Construction of fishery pond at Thinungei mamang | 7,42,337 | 5,42,337 | 2,00,000 | Hiring of excavator and driver |
| 3 | Khoijuman-Kwasiphai GP | Construction of water pipe line with hydel from main line to Ahongsangbam leikai at Kwashiphai | 3,20,000 | 2,30,671 | 89,329 | Due to higher rate of GI pipe |
| 4 | Khoijuman-Kwasiphai GP | Construction of sanitary drain with culvert from Haojam gate to Luxmi Bazar at Kwasiphai | 3,09,640 | 2,27,640 | 82,000 | Error in measurement of width of drain |
| 5 | ThongjuPt-II GP | Construction of pond at Nepram Inghol | 4,36,313 | 1,35,932 | 3,00,381 | Rate applied for ordinary rock instead of Hard/Dense soil in excavation of earth |
| 6 | ThongjuPt-II GP | Construction of 2 nos. of public drinking water ponds at Okram Inghol, Thongju Waikhom Khongnang | 1,53,238 | 47,741 | 1,05,497 | Rate applied for ordinary rock instead of Hard/Dense soil in excavation of earth |
| 7 | ThongjuPt-II GP | Construction of public pond at Koirou Labuk. | 2,06,519 | 64,084 | 1,42,434 | Rate applied for ordinary rock instead of Hard/Dense soil in excavation of earth |
| 8 | Moidangpok GP | Expansion and deepening of public pond at Yaipalhoubi Moidangpok GP Ward No. 6 | 2,80,286 | 1,75,179 | 1,05,107 | Rate applied for Hard shale instead of Hard/Dense soil in excavation of earth |
| 9 | Moidangpok GP | New construction of public pond at Moidangpok Khunou (Babu Pukhri) | 3,15,451 | 1,97,206 | 1,18,245 | Rate applied for Hard shale instead of Hard/Dense soil in excavation of earth |
| 10 | Moidangpok GP | Construction of public pond at Moidangpok near crematorium | 3,63,923 | 2,27,527 | 1,36,396 | Rate applied for Hard shale instead of Hard/Dense soil in excavation of earth |
| 11 | Moidangpok GP | Construction of public pond at Moidangpok Khunou Ningombam Nakan | 3,63,800 | 2,27,527 | 1,36,273 | Rate applied for Hard shale instead of Hard/Dense soil in excavation of earth |
| 12 | Khonghampat GP | Construction of drinking water pond at Khonghampat Mayai Leikai | 3,14,555 | 1,78,691 | 1,35,864 | Rate of 180.70/cum was applied instead of 87.04/cum in excavation of earth |
| 13 | Khonghampat GP | Expansion and renovation of community pond at Loitang Sandum | 1,50,382 | 82,607 | 67,775 | Rate of 193.77/cum was applied instead of 87.04/cum in excavation of earth |
| 14 | Khonghampat GP | Construction of pond at Khonghampat Awang Leikai | 3,62,883 | 1,88,519 | 1,74,364 | Rate of 180.70/cum was applied instead of 87.04/cum in excavation of earth |

| Sl. No. | Name of the PRIs | Name of the work | Amount incurred (₹) | Amount due (₹) | Excess Payment (₹) | Remark |
|--------------|--------------------------|---------------------------------------------------------------------------------------------|---------------------|------------------|--------------------|----------------------------------------------------------------------------|
| 15 | Khonghampat GP | Construction of water pond at Khonghampat Khunou | 3,62,883 | 1,88,519 | 1,74,364 | Rate of 180.70/cum was applied instead of 87.04/cum in excavation of earth |
| 16 | Mayang Langjing GP | Expansion and deepening of public pond at Kameng Sabal with fencing | 2,82,787 | 1,16,630 | 1,66,157 | Rate of 222.97/cum was applied instead of 87.04/cum in excavation of earth |
| 17 | Mayang Langjing GP | Construction of new public pond at Mayang Langjing Tamang Awang Leikai with fencing | 4,00,000 | 1,24,454 | 2,75,546 | Rate of 228.97/cum was applied instead of 87.04/cum in excavation of earth |
| 18 | Mayang Langjing GP | Construction of public pond at Mayang Langjing Awang Leikai with fencing | 5,45,119 | 2,03,574 | 3,41,545 | Rate of 228.97/cum was applied instead of 87.04/cum in excavation of earth |
| 29 | Mayang Langjing GP | Renovation of pond at Akham Awang Leikai near Kshetrimayum konthong & bathroom with fencing | 3,54,930 | 87,627 | 2,67,303 | Due to error in addition of the amount of items of work |
| 20 | Torban Kshetri leikai GP | Expansion of pond at Akampat | 2,09,826 | 59,095 | 1,50,731 | Rate of 321.30/cum was applied instead of 87.04/cum in excavation of earth |
| Total | | | 67,87,283 | 33,85,676 | 34,01,606 | |

Appendix-2.7

(Reference: Paragraph No. 2.1.10.2(c))

Non-deduction of existing volume in expansion and deepening of pond

| Sl. No. | Name of PRIs | Name of the work | Estimated Amount (₹) |
|---------|----------------|--------------------------------------------------------------------------------|----------------------|
| 1 | Imphal East ZP | Expansion and deepening of pond at Kitna Panung Bashikong | 1,35,907 |
| 2 | Imphal East ZP | Improvement/Expansion of community drinking water pond at Iyam mapal | 1,77,568 |
| 3 | Imphal East ZP | Improvement/Expansion of community drinking water pond at Yourabung | 1,86,371 |
| 4 | Imphal East ZP | Expansion of public pond at Yengdongol | 1,12,148 |
| 5 | Imphal East ZP | Expansion and deepening of pond at Yourbung near Stone crusher | 73,265 |
| 6 | Imphal East ZP | Expansion and deepening of pond at Pour Das mapa, Jakuradhor | 1,56,866 |
| 7 | Imphal East ZP | Improvement/Expansion of public pond at Jakuradhor part I near Ressam Das mapa | 1,85,510 |
| 8 | Imphal East ZP | Expansion and deepening of public pond near Khamidok Jama Masqid | 1,11,166 |
| 9 | Imphal East ZP | Improvement of drinking water pond at Bamon Kampu. | 1,50,979 |
| 10 | Imphal East ZP | Expansion & deepening of pond at Achanbigai Mayai Leikai | 1,27,528 |
| 11 | Imphal East ZP | Expansion & deepening of pond at Eshingthembi | 1,41,911 |
| 12 | Imphal East ZP | Expansion & deepening of pond at Achanbigai Mayai Leikai | 1,33,343 |

| Sl. No. | Name of PRIs | Name of the work | Estimated Amount (₹) |
|---------|--------------------|------------------------------------------------------------------------------------|----------------------|
| 13 | Imphal East ZP | Expansion & deepening of pond at Angtha Mamang Leikai | 1,60,964 |
| 14 | Imphal East ZP | Expansion & deepening of pond at Itham Lairembi Lampak | 1,38,594 |
| 15 | Imphal East ZP | Expansion & deepening of public pond at Khomidok Bazar (Jama Masjid pond) | 1,28,090 |
| 16 | Imphal East ZP | Deepening of public pond at Wangkhei Loumanbi near K. Nganba Singh | 1,63,737 |
| 17 | Imphal East ZP | Improvement of drinking water pond at Thokchom Maning, Achanbigai | 1,68,665 |
| 18 | Imphal East ZP | Improvement of drinking water pond at Leingangpokpi | 1,99,948 |
| 19 | Imphal East ZP | Improvement/Expansion of Community drinking water pond at Achanbigai | 1,90,043 |
| 20 | Imphal East ZP | Improvement of drinking water pond with platform at Shree Pukhri, Thambalkhong | 1,95,735 |
| 21 | Imphal East ZP | Renovation of pond at Bamonkampu Mayai Leikai | 2,55,136 |
| 22 | Imphal East ZP | Improvement/Expansion of pond at Kyamgei | 1,00,336 |
| 23 | Imphal East ZP | Improvement of public pond at Kadamtala Awang Leikai | 1,50,000 |
| 24 | Imphal East ZP | Improvement of public pond at Ningthembam | 1,30,525 |
| 25 | Imphal East ZP | Improvement of public drinking water pond at Sadu Lampak, Makeng Dolaithabi | 1,45,442 |
| 26 | Imphal East ZP | Renovation of pond Sapam Kitna Panung Okram Chuthek Makha | 2,52,183 |
| 27 | Kshetrigao GP | Expansion and deepening of public pond at Kshetri Bengoon Mamangching khul | 1,63,800 |
| 28 | Kshetrigao GP | Expansion and deepening of public pond at Kshetrigao Makha Leikai | 1,63,800 |
| 29 | Kshetrigao GP | Expansion and deepening of public pond at Bangoon Awang leikai | 2,71,485 |
| 30 | Bashikhong GP | Expansion of public drinking water pond at Lairam Pukhri | 1,83,181 |
| 31 | Torban kshetri GP | Expansion of pond at Akampat | 2,09,826 |
| 32 | Thoubal ZP | Renovation of public drinking water pond at Hiranmei | 1,19,757 |
| 33 | Thoubal ZP | Renovation & remodelling of Md.Abdul Hassan public pond at Lilong Chingkhram makha | 1,44,626 |
| 34 | Khonghampat GP | Expansion and deepening of community pond at Loitang Sangdum | 1,50,382 |
| 35 | Mayang Langjing GP | Expansion and deepening of pond at Mana Ingkhol | 1,90,667 |
| 36 | Mayang Langjing GP | Expansion and deepening of public pond at Mayang Langjing Taning Makha Leikai | 3,07,543 |
| 37 | Mayang Langjing GP | Expansion and deepening of public pond at Kameng Sabal with fencing | 3,98,821 |
| 38 | Patsoi GP | Remodelling of public pond at Patsoi Part-III at Lai Manak | 1,98,028 |
| 39 | Patsoi GP | Remodelling of public pond at Patsoi Part-III | 1,32,746 |
| 40 | Patsoi GP | Remodelling of public pond at Patsoi Part-IV | 1,32,746 |
| 41 | Phubala GP | Expansion of public pond at Phubala Mayai Lambi near Community Hall Ward No. 4 | 2,09,488 |
| 42 | Phubala GP | Expansion of public pond at Salam mapa at Naranseina maning | 1,52,248 |
| 43 | Keinou GP | Expansion and deepening of Konung Mamang Lai Pukhri at Keinou Thongkha. | 1,64,076 |

| Sl. No. | Name of PRIs | Name of the work | Estimated Amount (₹) |
|--------------|--------------|-------------------------------------------------------------------------------------------------------|----------------------|
| 44 | Keinou GP | Expansion and deepening of water harvesting site at Keinou Thongthak Thingbaijam Maning Leikai Khong. | 1,64,077 |
| 45 | Keinou GP | Expansion and deepening of water harvesting site at Yumnam Khunou Maning Leikai Khong. | 1,20,625 |
| 46 | Keinou GP | Expansion and deepening of water harvesting site at Keinou Thongthak Maning Leikai Khong. | 1,20,625 |
| 47 | Keinou GP | Expansion and deepening of water harvesting site at Ngaikhong Khunou Maning Khong. | 1,20,625 |
| 48 | Keinou GP | Expansion and deepening of pond at Ahongshangbam Leikai at Keinou Bazar Awang Leikai. | 1,40,025 |
| 49 | Keinou GP | Re-digging of drain at Tiddim road western side at Yumnam Khunou to Ngaikhong Khunou Thonjao | 3,20,660 |
| 50 | Keinou GP | Re-digging of drain at Keinou Maning Leikai Nameirakpam maning | 7,00,000 |
| 51 | Thinungei GP | Expansion and deepening of pond at Ningthoukhong Kha Khunou | 1,48,873 |
| Total | | | 92,00,690 |

Appendix-2.8

(Reference: Paragraph No. 2.1.10.3)

Deployment of excess mandays

| Sl. No. | Name of the Blocks/ GPs | No. of works | Work amount (₹) | Mandays (in numbers) | | |
|--------------|-------------------------|--------------|--------------------|-----------------------------|-------------------|------------------------------------|
| | | | | Requirement as per estimate | Actually employed | Excess mandays employed (per cent) |
| 1 | Bashikhong GP | 14 | 40,01,234 | 8,215 | 18,435 | 10,220 (124) |
| 2 | Kshetrigao GP | 11 | 25,83,865 | 5,367 | 10,991 | 5,624 (105) |
| 3 | Top Chingtha GP | 9 | 18,99,302 | 4,741 | 11,185 | 6,444 (136) |
| 4 | Imphal East ZP | 68 | 1,11,35,403 | 28,680 | 56,517 | 27,837 (97) |
| 5 | Lamjaotongba GP | 6 | 20,01,480 | 1,506 | 3,210 | 1,704 (113) |
| 6 | Patsoi GP | 2 | 7,42,340 | 601 | 750 | 149 (25) |
| 7 | Langathel GP | 16 | 41,55,076 | 4,128 | 10,997 | 6,869 (166) |
| 8 | Leirongthel Ningel GP | 15 | 61,13,059 | 4,855 | 17,807 | 12,952 (267) |
| 9 | Thoubal ZP | 19 | 40,74,317 | 7,642 | 17,383 | 9,741 (127) |
| 10 | Bishnupur ZP | 42 | 88,19,102 | 14,236 | 42,418 | 28,182 (198) |
| 11 | Imphal West ZP | 35 | 54,88,490 | 16,567 | 40,883 | 24,316 (147) |
| Total | | 237 | 5,10,13,668 | 96,538 | 2,30,576 | 1,34,038 (139) |

Appendix-2.9

(Reference: Paragraph No. 2.1.10.4)

Prescribed quantity of materials not utilised in the execution of works

| Sl. No. | Name of the PRIs | No. of works | Work Amount (in ₹) | Quantity of stone (in cum) | | | Quantity of sand (in cum) | | | Quantity of cement (in MT) | | | Quantity of brick (in Nos./pieces) | | |
|--------------|------------------|--------------|--------------------|----------------------------|-------------------|-------------------------|---------------------------|-------------------|-------------------------|----------------------------|-------------------|-------------------------|------------------------------------|-------------------|-------------------------|
| | | | | Required as per estimate | Actually utilised | Excess(+)/ Shortage (-) | Required as per estimate | Actually utilised | Excess(+)/ Shortage (-) | Required as per estimate | Actually utilised | Excess(+)/ Shortage (-) | Required as per estimate | Actually utilised | Excess(+)/ Shortage (-) |
| 1 | Bashikhong GP | 5 | 17,07,300 | 324 | 492 | 169 | 152 | 153 | 1 | 48 | 29 | -19 | 15,930 | 9,000 | -6,930 |
| 2 | Kshetrigao GP | 3 | 11,72,259 | 269 | 357 | 87 | 118 | 108 | -11 | 32 | 22 | -10 | 0 | 0 | 0 |
| 3 | Top Chingtha GP | 2 | 6,97,352 | 151 | 198 | 47 | 66 | 68 | 2 | 19 | 16 | -3 | 0 | 0 | 0 |
| 4 | Imphal East ZP | 22 | 36,02,984 | 1,038 | 79 | -959 | 350 | 328 | -22 | 150 | 70 | -80 | 0 | 46,504 | 46,504 |
| 5 | Lamjaotongba GP | 6 | 20,01,480 | 298 | 294 | -4 | 133 | 147 | 14 | 53 | 36 | -17 | 0 | 0 | 0 |
| 6 | Patsoi GP | 2 | 7,42,340 | 181 | 0 | -181 | 68 | 51 | -17 | 22 | 22 | 0 | 0 | 18,538 | 18,538 |
| 7 | Langathel GP | 14 | 36,91,076 | 605 | 708 | 103 | 303 | 507 | 203 | 142 | 55 | -87 | 0 | 0 | 0 |
| 8 | Thoubal ZP | 14 | 34,55,084 | 400 | 198 | -202 | 205 | 365 | 161 | 86 | 59 | -27 | 8,093 | 63,800 | 55,708 |
| 9 | Bishnupur ZP | 25 | 55,44,618 | 1,202 | 1,432 | 230 | 440 | 509 | 69 | 223 | 119 | -105 | 0 | 0 | 0 |
| 10 | Mojjing GP | 9 | 45,87,658 | 671 | 872 | 201 | 351 | 594 | 244 | 196 | 80 | -117 | 0 | 0 | 0 |
| Total | | 102 | 2,72,02,151 | 5,139 | 4,630 | -509 | 2,186 | 2,830 | 644 | 971 | 508 | -465 | 24,023 | 1,37,842 | 1,13,820 |
| | | | | Excess utilisation | No. of works | 58 | Excess utilisation | No. of works | 75 | Excess utilisation | No. of works | 0 | Excess utilisation | No. of works | 38 |
| | | | | | Quantity | 837 | | Quantity | 694 | | Quantity | 0 | | Quantity | 1,20,750 |
| | | | | Short utilisation | No. of works | 44 | Deficit utilisation | No. of works | 27 | Deficit utilisation | No. of works | 100 | Deficit utilisation | No. of works | 5 |
| | | | | | Quantity | -1,346 | | Quantity | -50 | | Quantity | -465 | | Quantity | -6,930 |

Appendix-2.10

(Reference: Paragraph No. 2.1.10.5)

Construction of superstructure walls by half brick masonry in place of full brick masonry

| Sl. No. | Name of PRIs | Name of works | Estimated Amount (₹) | Quantity of full brick masonry in MB (cum) | Rate of full brick masonry (₹/ cum) | Amount paid (₹) | Thickness (breath) of the masonry work recorded in MB (m) | Worked out area of Half brick masonry (sqm) | Rate of half brick masonry (₹/ sqm) | Amount to be paid (₹) | Excess Expenditure (₹) |
|---------|----------------|-------------------------------------------------------------------------------------------|----------------------|--------------------------------------------|-------------------------------------|-----------------|-----------------------------------------------------------|---------------------------------------------|-------------------------------------|-----------------------|------------------------|
| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8=4/7 | 9 | 10 = 8 x 9 | 11= 6 - 10 |
| 1 | Imphal East ZP | Construction of garbage tank at Khomidok Bazar with sanitary drain | 1,06,316 | 8.08 | 7,537.30 | 60,901 | 0.25 | 32.32 | 851 | 27,504 | 33,397 |
| 2 | Imphal East ZP | Construction of garbage tank at Haotal Opposite SV Gatewell School | 60,000 | 4.93 | 7,537.30 | 37,159 | 0.25 | 19.72 | 851 | 16,782 | 20,377 |
| 3 | Imphal East ZP | Construction of garbage tank at Khongman Zone-I, Zone-III ,Zone V & Torban Kshetri Leikai | 2,48,980 | 20.64 | 7,537.30 | 1,55,570 | 0.25 | 82.56 | 851 | 70,259 | 85,311 |
| 4 | Imphal East ZP | Construction of garbage tank at Khongman Zone 5 Pangambam Leirak | 47,336 | 4.02 | 7,537.30 | 30,300 | 0.25 | 16.08 | 851 | 13,684 | 16,616 |
| 5 | Imphal East ZP | Construction of garbage tank at Khabeisoi & Kairang Awang Leikai | 1,00,065 | 8.42 | 7,537.30 | 63,464 | 0.25 | 33.68 | 851 | 28,662 | 34,802 |
| 6 | Imphal East ZP | Construction of garbage tank at Uchekon | 1,49,801 | 12.6 | 7,537.30 | 94,970 | 0.25 | 50.40 | 851 | 42,890 | 52,080 |
| 7 | Imphal West ZP | Construction of solid waste tank at Khurkhul Awang Leikai | 31,400 | 1.56 | 8,991.80 | 14,027 | 0.15 | 10.40 | 978.7 | 10,178 | 3,849 |
| 8 | Imphal West ZP | Construction of solid waste tank at Khurkhul | 35,812 | 1.72 | 8,991.80 | 15,466 | 0.15 | 11.47 | 979.7 | 11,234 | 4,232 |
| 9 | Imphal West ZP | Construction of solid waste tank at Irom Meijrao mayai makha, Lairenjam mejirao, W/No.11 | 30,748 | 1.56 | 8,991.80 | 14,027 | 0.15 | 10.40 | 978.7 | 10,178 | 3,849 |
| 10 | Imphal West ZP | Construction of solid waste tank at Yurembam mamang leikai | 50,000 | 2.73 | 8,991.80 | 24,548 | 0.15 | 18.20 | 978.7 | 17,812 | 6,736 |
| 11 | Imphal West ZP | Construction of solid waste tank at Singda Bazar | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |
| 12 | Imphal West ZP | Construction of solid waste tank at phumlou Bazar | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |
| 13 | Imphal West ZP | Construction of solid waste tank at Mayang Langjing Bazar | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |
| 14 | Imphal West ZP | Construction of solid waste tank at Loitang K shunou Bazar | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |

| Sl. No. | Name of PRIs | Name of works | Estimated Amount (₹) | Quantity of full brick masonry in MB (cum) | Rate of full brick masonry (₹/ cum) | Amount paid (₹) | Thickness (breath) of the masonry work recorded in MB (m) | Worked out area of Half brick masonry (sqm) | Rate of half brick masonry (₹/ sqm) | Amount to be paid (₹) | Excess Expenditure (₹) |
|---------|----------------|------------------------------------------------------------------------------------|----------------------|--------------------------------------------|-------------------------------------|-----------------|-----------------------------------------------------------|---------------------------------------------|-------------------------------------|-----------------------|------------------------|
| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8=4/7 | 9 | 10 = 8 x 9 | 11= 6 - 10 |
| 15 | Imphal West ZP | Construction of solid waste tank at Ngariyanbam Kwasiphai Leirak keithel | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |
| 16 | Imphal West ZP | Construction of solid waste tank at Lairenkabi | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |
| 17 | Imphal West ZP | Construction of solid waste tank at Mayang Langjing Laibung Keithel | 27,644 | 1.32 | 8,991.80 | 11,869 | 0.15 | 8.80 | 978.7 | 8,613 | 3,256 |
| 18 | Imphal West ZP | Construction of urinal shed at Yurembam Awang, W/No.4 | 1,23,587 | 9.02 | 8,335.20 | 1,05,440 | 0.30 | 30.07 | 978.7 | 29,426 | 76,014 |
| 19 | Imphal West ZP | Construction of urinal shed at Ngairangbam Awang, W/No.2 | 1,20,000 | 9.02 | 8,335.20 | 1,05,440 | 0.30 | 30.07 | 978.7 | 29,426 | 76,014 |
| 20 | Imphal West ZP | Toilet at Haorang Khunou (Warok sabal near Laibung at Lairenkabi Kadangband W/No.9 | 1,68,780 | 8.77 | 8,335.20 | 73,100 | 0.30 | 29.23 | 978.7 | 28,611 | 44,489 |
| 21 | Imphal West ZP | Toilet at Moidangpok in Kangmong GP | 89,516 | 6.31 | 8,335.20 | 52,595 | 0.30 | 21.03 | 978.7 | 20,585 | 32,010 |
| 22 | Imphal West ZP | Toilet at Spinning Mill, Loitangkhunou of Phumlou GP | 1,73,858 | 9.27 | 8,335.20 | 77,267 | 0.30 | 30.90 | 978.7 | 30,242 | 47,025 |
| 23 | Imphal West ZP | Community toilet (Ph-I) at Kangmong GP | 1,46,230 | 9.27 | 8,335.20 | 77,267 | 0.30 | 30.90 | 978.7 | 30,242 | 47,025 |
| 24 | Imphal West ZP | Toilet at Yurembam Makha Leikai | 1,42,204 | 9.27 | 8,335.20 | 77,267 | 0.30 | 30.90 | 978.7 | 30,242 | 47,025 |
| 25 | Imphal West ZP | Construction of community toilet Mayang Langjing Tamang panthoibi hall | 2,25,474 | 9.31 | 8,335.20 | 77,601 | 0.30 | 31.03 | 978.7 | 30,372 | 47,229 |
| 26 | Imphal West ZP | Toilet at W/No.2 (TAPYA ground) | 1,11,723 | 7.27 | 8,335.20 | 60,597 | 0.30 | 24.23 | 978.7 | 23,717 | 36,880 |
| 27 | Imphal West ZP | Urinal shed at Ngairangbam Makha | 1,58,262 | 9.27 | 8,335.20 | 77,267 | 0.30 | 30.90 | 978.7 | 30,242 | 47,025 |
| 28 | Imphal West ZP | Toilet at Atomkhuman W/No.10 | 2,60,177 | 12 | 8,335.20 | 1,00,022 | 0.30 | 40.00 | 978.7 | 39,148 | 60,874 |
| 29 | Imphal West ZP | Toilet (Ph-I) near Community hall at Kanto | 2,00,000 | 6.31 | 8,335.20 | 52,595 | 0.30 | 21.03 | 978.7 | 20,585 | 32,010 |
| 30 | Imphal West ZP | Toilet (Ph-II) near Community hall at Kanto | 1,00,000 | 8.43 | 8,335.20 | 70,266 | 0.20 | 42.15 | 978.7 | 41,252 | 29,014 |
| 31 | Moidangpok GP | Construction of solid waste tank at Ward No. 2 | 1,30,000 | 10.26 | 9,000.60 | 92,346 | 0.25 | 41.04 | 987.7 | 40,535 | 51,811 |
| 32 | Moidangpok GP | Construction of solid waste tank at Ward No. 4 | 1,30,000 | 10.26 | 9,000.60 | 92,346 | 0.25 | 41.04 | 987.7 | 40,535 | 51,811 |
| 33 | Moidangpok GP | Construction of solid waste tank at Ward No. 8 | 1,30,000 | 10.26 | 9,000.60 | 92,346 | 0.25 | 41.04 | 987.7 | 40,535 | 51,811 |

| Sl. No. | Name of PRIs | Name of works | Estimated Amount (₹) | Quantity of full brick masonry in MB (cum) | Rate of full brick masonry (₹/ cum) | Amount paid (₹) | Thickness (breath) of the masonry work recorded in MB (m) | Worked out area of Half brick masonry (sqm) | Rate of half brick masonry (₹/ sqm) | Amount to be paid (₹) | Excess Expenditure (₹) |
|--------------|-----------------------|-------------------------------------------------------------------|----------------------|--------------------------------------------|-------------------------------------|------------------|-----------------------------------------------------------|---------------------------------------------|-------------------------------------|-----------------------|------------------------|
| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8=4/7 | 9 | 10 = 8 x 9 | 11= 6 - 10 |
| 34 | Moidangpok GP | Construction of solid waste tank at Ward No. 5 | 1,27,670 | 10.26 | 9,000.60 | 92,346 | 0.25 | 41.04 | 987.7 | 40,535 | 51,811 |
| 35 | Moidangpok GP | Construction of solid waste tank at Ward No. 1 | 1,27,600 | 10.31 | 9,000.60 | 92,796 | 0.25 | 41.24 | 987.7 | 40,733 | 52,063 |
| 36 | Moidangpok GP | Construction of solid waste tank at Ward No. 6 | 1,27,600 | 10.31 | 9,000.60 | 92,796 | 0.25 | 41.24 | 987.7 | 40,733 | 52,063 |
| 37 | Moidangpok GP | Construction of solid waste tank at Ward No. 7 | 1,27,600 | 10.31 | 9,000.60 | 92,796 | 0.25 | 41.24 | 987.7 | 40,733 | 52,063 |
| 38 | Phumlou GP | Construction of garbage pit at Senjam Chirang near water supply | 1,39,888 | 5.13 | 9,000.60 | 46,173 | 0.25 | 20.52 | 978.7 | 20,083 | 26,090 |
| 39 | Phumlou GP | Construction of garbage pit at Senjam Khunou near Anganwadi | 1,39,887 | 5.13 | 9,000.60 | 46,173 | 0.25 | 20.52 | 978.7 | 20,083 | 26,090 |
| 40 | Phumlou GP | Construction of garbage pit at Loitang Khunou bazar | 1,39,887 | 5.13 | 9,000.60 | 46,173 | 0.25 | 20.52 | 978.7 | 20,083 | 26,090 |
| 41 | Phumlou GP | Construction of garbage pit at Loitang Leikinthabi | 1,39,887 | 5.13 | 9,000.60 | 46,173 | 0.25 | 20.52 | 978.7 | 20,083 | 26,090 |
| 42 | Wangjing G.P. | Construction of solid waste tank at Wangjing G.P. | 3,69,602 | 30.66 | 7,242.60 | 2,22,058 | 0.26 | 117.92 | 840.1 | 99,067 | 1,22,991 |
| 43 | Wangjing G.P. | Construction of waste tank at Wangjing GP at Ward No. 5,3 and 1 | 92,400 | 7.66 | 7,242.60 | 55,478 | 0.26 | 29.46 | 840.1 | 24,751 | 30,727 |
| 44 | Wangjing G.P. | Construction of solid waste tank at wadr no. 1 to 10 | 3,38,800 | 28.05 | 7,242.60 | 2,03,155 | 0.26 | 107.88 | 840.1 | 90,634 | 1,12,521 |
| 45 | Bashikhong GP | Construction of solid waste tank at Bashikhong Leirak Machin | 31,774 | 2.74 | 7,446.90 | 20,405 | 0.25 | 10.96 | 840.1 | 9,207 | 11,198 |
| 46 | Bashikhong GP | Construction of solid waste tank at Kitana panung | 31,774 | 2.73 | 7,446.90 | 20,330 | 0.25 | 10.92 | 840.1 | 9,174 | 11,156 |
| 47 | Lamjaotongba GP | Construction of solid waste tank at Ward No. 9 in Lamjaotongba GP | 3,04,300 | 18.49 | 9,180.00 | 1,69,738 | 0.30 | 61.63 | 1,046.20 | 64,481 | 1,05,257 |
| 48 | Lamjaotongba GP | Construction of solid waste tank at Ward No. 4 Soraisham mamang | 3,04,300 | 18.49 | 9,180.00 | 1,69,738 | 0.30 | 61.63 | 1,046.20 | 64,481 | 1,05,257 |
| 49 | Leirongthel Ningel GP | Construction of solid waste tank near Pitra Community Hall | 28,752 | 2.59 | 7,446.90 | 19,287 | 0.20 | 12.95 | 840.1 | 10,879 | 8,408 |
| 50 | Leirongthel Ningel GP | Construction of solid waste tank near Masjid at Mayai Keithel | 28,752 | 2.59 | 7,446.90 | 19,287 | 0.20 | 12.95 | 840.1 | 10,879 | 8,408 |
| 51 | Leirongthel Ningel GP | Construction of solid waste tank at Khoirom Ward No. 5 | 28,752 | 2.59 | 7,446.90 | 19,287 | 0.20 | 12.95 | 840.1 | 10,879 | 8,408 |
| Total | | | 60,93,002 | 398 | | 33,51,466 | | 1,549 | | 14,52,666 | 18,98,800 |

Appendix-2.11*(Reference: Paragraph No. 2.1.10.6)***Purchase of material not required in the work**

| Sl. No. | Name of the PRIs | Name of the work | Estimated amount (₹) | Material procured | Expenditure incurred (₹) |
|---------------------------------------------|------------------------|--------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------|--------------------------|
| XIIIth Finance Commission | | | | | |
| 1 | Mayang Langjing GP | Construction of sanitary drain with slab culvert at Mayang Langjing Tamang sorak mapal near Bulma club | 4,60,095 | RRC pipe (36 inches x 2.5 mm) | 28,420 |
| 2 | Mayang Langjing GP | Construction of sanitary drain at Mayang Langjing Taningmayai Leikai | 4,60,095 | RCC NP-3 hume pipe of 36 inches-14 nos. | 1,84,120 |
| 3 | Torban Kshetri GP | Eathwork at Mongkhan Lambi Modern Club Lampak | 3,12,411 | Moorum | 2,03,200 |
| 4 | Thinungei GP | Construction of public pond at Ningthoukhong Kha Khunou | 2,03,200 | Cement, spade, shovel, cane basket | 31,030 |
| | | | | sand | 27,000 |
| | | | | stone boulder | 24,000 |
| 5 | Heirol Pt-II GP | Construction of hand pump at Ward No. 3. | 71,406 | Bricks | 5,000 |
| 6 | Heirol Pt-II GP | Construction of hand pump at Ward No. 6. | 71,408 | Bricks | 5,000 |
| 7 | Oinam Sawombung GP | Construction of sanitary drain from Asem Komon Leirak to Awang loubuk taba phase-III | 2,67,095 | Moorum | 1,123 |
| 8 | Oinam Sawombung GP | Construction of sanitary drain at Asem Leirak to Elangbam Leirak | 3,00,609 | Moorum | 1,542 |
| 9 | Imphal East ZP | Construction of pucca water tank at Kongba Irong | 2,02,528 | CGI sheet | 4,500 |
| | | | | Iron | 33,500 |
| 10 | Imphal East ZP | Construction of sanitary drain from Okram Chuthek to Bamon Leikai | 1,27,913 | Bricks | 15,750 |
| 11 | Imphal East ZP | Construction of community toilet at Yourbung near stone crusher | 1,24,591 | Stone dust | 9,000 |
| 12 | Imphal East ZP | Expansion and deepening of pond at Yourbung near Stone crusher | 73,265 | Cement | 2,125 |
| | | | | Sand and boulder | 5,500 |
| 13 | Thoubal ZP | Construction of public pond at Leironthel Ningel | 2,26,000 | Cement (68 bags) | 29,240 |
| | | | | Stone shingle (7 trips) | 59,500 |
| | | | | Sand (4 trips) | 38,000 |
| 14 | Thoubal ZP | Construction of public pond at Langathel Khuman Leikai | 2,17,889 | Brick (2500 nos.) | 25,000 |
| Total | | | 31,18,505 | Total | 7,32,550 |
| XIVth Finance Commission | | | | | |
| 15 | Mayang Langjing GP | Renovation of pond at Akham Awang Leikai near Kshetrimayum konthong & bathroom with fencing | 3,54,930 | Angle iron for fencing | 1,21,036 |
| 16 | Khoijuman-Kwasiphai GP | Construction of solid waste management plan at Khoijuman (Phase 1) | 8,37,151 | Moorum | 42,000 |
| 17 | Khoijuman-Kwasiphai GP | Construction of garbage with solid waste disposable at Kwasiphai mamang | 7,44,932 | Moorum | 1,34,000 |

| Sl. No. | Name of the PRIs | Name of the work | Estimated amount (₹) | Material procured | Expenditure incurred (₹) |
|---------|--------------------|--------------------------------------------------------------------------------------------|----------------------|--------------------------------|--------------------------|
| 18 | Phubala GP | New construction of sanitary drain with improvement of Maisnam Lambi at Naranseina w/no. 7 | 2,26,883 | Stone boulder, stone chip sand | 58,520 |
| 19 | Phubala GP | New construction of two staircase at Naranseina Yumnam Maning public pond | 2,26,883 | Stone boulder | 11,400 |
| 20 | Phubala GP | Digging of public pond at Phubala maning | 5,00,000 | Hiring of JCB | 1,80,000 |
| 21 | Phubala GP | Expansion of public pond at Salam mapa at Naranseina maning | 1,52,248 | Hiring of vehicles | 1,06,000 |
| 22 | Phubala GP | Construction of canal from Phubala makha public pond to Loktak lake | 1,80,000 | Sand | 40,000 |
| | | | | Cement | 39,720 |
| | | | | Stone boulder | 38,000 |
| 23 | Phubala GP | Renovation of MI canal from Khwairakpam to Loktak lake | 68,732 | Sand | 16,000 |
| | | | | Cement | 12,150 |
| | | | | Stone boulder | 11,400 |
| 24 | Thinungei GP | Construction of fishery farm/pond at Thinungei Mamang | 7,42,338 | Hiring of Tipper | 82,500 |
| | | | | Hiring charge of JCB driver | 21,500 |
| | | | | Hiring of JCB | 6,38,550 |
| 25 | Oinam Sawombung GP | Construction of sanitary drain at Elangbam Leirak Ward No. 4 | 1,27,216 | Moorum | 1,893 |
| | | Total | 35,55,299 | Total | 15,54,669 |
| | | Grand Total | 66,73,804 | Grand Total | 22,87,219 |

Appendix-2.12

(Reference: Paragraph No. 2.1.10.6)

Materials required as per estimate not purchased

| Sl. No. | Name of PRI | Name of the work | Expenditure (₹) | Material not purchased | Estimated cost for providing and installation of material not purchased (₹) |
|---------------------------------------------|----------------|------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| XIIIth Finance Commission | | | | | |
| 1 | Khonghampat GP | Construction of public urinal shed at Khonghampat Mayai Leikai playground | 1,26,500 | (i) woodwork for trusses, purlin, rafter, frames and panel for doors/windows, (ii) tor steel rod for RCC work (iii) sanitary ware | 19,636 2,280 7,320 |
| 2 | Khonghampat GP | Construction of community toilet at Pheidinga near Awang Koubru Temple | 3,14,553 | (i) woodwork for trusses, purlin, rafter, frames and panel for doors/windows, formwork for flat surface (ii) tor steel rod for RCC work (iii) sanitary ware | 32,009 25,199 15,188 |
| 3 | Khonghampat GP | Construction of public toilet at Khonghampat Khunou community hall | 1,26,531 | (i) woodwork for trusses, purlin, rafter, frames and panel for doors/windows, (ii) tor steel rod for RCC work (iii) sanitary ware | 19,636 2,280 5,707 |
| 4 | Khonghampat GP | Construction of public urinal at Panchayat Ghar compound | 2,79,485 | (i) CGI sheets for roofing (ii) tor steel bar for RCC work (iii) woodwork for trusses, purlin, rafter, frames and panel for doors/windows, (iii) sanitary ware | 11,819 8,006 24,667 12,717 |
| 5 | Khonghampat GP | Construction of community toilet at Pheidinga Bazaar | 3,62,826 | (i) wood for trusses, purlin, rafter, frames and batten for door/windows, formwork, plank for eave board etc. (ii) sanitary ware (iii) tor steel rod for RCC work (iv) sliding bolt, tower bolt, MS handle, Ridge or hip, twisted plate | 54,781 2,146 27,187 6,233 |
| 6 | Khonghampat GP | Construction of pucca latrine at Khonghampat Awang Leikai Ward No. 1 | 2,35,469 | (i) Wood for trusses, purlin, rafter, frames, panelled etc. formwork for suspended floor, (ii) CGI roofing (iii) tor steel rod for RCC work (iv) sanitary ware | 92,780 11,397 8,685 5,542 |
| 7 | Thinungei GP | Construction of sanitary drain from Tiddim road to Loktak taba at Kha khunou | 2,32,944 | Cement (222 nos.) | 94,350 |
| 8 | Keinou GP | Construction of Toilet at Ngaikhong Khunou Maning. | 87,680 | sanitary item | 3,140 |
| 9 | Keinou GP | Construction of Toilet at Keinou Thongthak near Koubru Haraobung. | 87,680 | sanitary item | 3,140 |

| Sl. No. | Name of PRI | Name of the work | Expenditure (₹) | Material not purchased | Estimated cost for providing and installation of material not purchased (₹) |
|---------|-----------------|-------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------|-----------------------------------------------------------------------------|
| 10 | Keinou GP | Construction of Toilet near Panthoibi Haraobung | 87,680 | sanitary item | 3,140 |
| 11 | Keinou GP | Construction of Public Toilet at Yumnam Khunou Mamang leikai pukhri mapal | 87,683 | sanitary item | 3,140 |
| 12 | Keinou GP | Construction of toilet at Leishangthem gate | 87,680 | sanitary item | 3,140 |
| 13 | Thinungei GP | Construction of tube well/water tank near community hall at Thinungei | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 14 | Thinungei GP | Construction of tube well/water tank near mayai pukhri at Thinungei Ward No. 5 | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 15 | Thinungei GP | Construction of tube well/water tank near Ibudhou lamjing ningthem Thinungei | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 16 | Thinungei GP | Construction of tube well/water tank near Thinungei lambi at Thinungei | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 17 | Thinungei GP | Construction of tube well/water tank, loyallakpa area at Thinungei Ward No. 6 | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 18 | Thinungei GP | Construction of tube well/water tank near Thinungei mayai community hall Ward No. 6 | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 19 | Thinungei GP | Construction of tube well/water tank near Thinungei makha Ward No. 7 | 60,000 | ms bar, wood work, CGI sheet | 16,936 |
| 20 | Thinungei GP | Construction of urinal shed at Ningthoukhong kha-khunou w/no. 3 | 1,08,512 | white glazed earthen foot rest | 1,276 |
| 21 | Heirolk Part-II | Construction of sanitary drain from Loklaobung to Matai Khong Phase I | 5,55,598 | formwork | 87,475 |
| 22 | Heirolk Part-II | Construction of sanitary drain from Loklaobung to Matai Khong Phase IV | 5,98,335 | Material for form work | 70,800 |
| 23 | Imphal East ZP | Construction of community toilet at Yourbung near stone crusher | 1,24,591 | (i) wood, CGI sheet, sanitary items, hardware items | 34,079 |
| | | | | (ii) tor steel bar (106.95 kg) | 8,286 |

| Sl. No. | Name of PRI | Name of the work | Expenditure (₹) | Material not purchased | Estimated cost for providing and installation of material not purchased (₹) |
|---------|----------------|----------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------|-----------------------------------------------------------------------------|
| 24 | Imphal East ZP | Construction of community toilet at Jakradhor Pt. II | 1,85,538 | (i) wood for formwork, door/window etc. | 25,275 |
| | | | | (ii) sanitary item | 3,461 |
| 25 | Thoubal ZP | Construction of public toilet at wangkhem huidrom leikai | 1,95,460 | (i) sanitary item | 15,696 |
| | | | | (ii) tor steel bar (301 kg) | 23,398 |
| | | | | (iii) formwork, wood work | 18,849 |
| 26 | Thoubal ZP | Construction of stair with sanitary drain at khoirom | 1,95,460 | formwork | 12,328 |
| 27 | Thoubal ZP | Construction of public toilet with urinal for ladies & gents at kakmayai village | 2,25,494 | (i) sanitary item | 4,387 |
| | | | | (ii) mild steel bar (117 kg) | 10,037 |
| 28 | Thoubal ZP | Construction of Sanitary drain at Wangkhem | 2,25,494 | formwork | 20,083 |
| 29 | Thoubal ZP | Construction of Sanitary drain at Singa Wangkhem Z.P. | 2,66,000 | formwork | 20,188 |
| 30 | Thoubal ZP | Construction of public toilet and urinal at Malom Leirongthel Ningel | 1,46,000 | (i) sanitary item | 4,978 |
| | | | | (ii) CGI sheet | 3,602 |
| 31 | Thoubal ZP | Construction of public toilet at Leirongthel | 1,57,237 | sanitary item | 4,978 |
| 32 | Thoubal ZP | Construction of public toilet at Leirongthel near play ground | 1,50,726 | (i) sanitary item | 1,300 |
| | | | | (ii) tor steel bar (194 kg) | 15,021 |
| 33 | Thoubal ZP | Remodelling of Thoubal river at community hall mapa with costruction of one stair at Malom village | 93,920 | formwork | 15,194 |
| 34 | Thoubal ZP | Construction public toilet with urinal phundrei makha leikai | 3,26,959 | sanitary item | 4,978 |
| 35 | Thoubal ZP | Construction of public toilet with Urinal at Sapam Mayai leikai | 3,26,959 | sanitary item | 4,978 |
| 36 | Thoubal ZP | Construction public toilet with urinal at Langathel Maning Leikai | 3,26,500 | sanitary item | 4,978 |
| 37 | Thoubal ZP | Major repairing of toilet and bathroom of Usmania madrassa Moijing wangma taba (with Tank) | 1,50,832 | (i) ms bar(85.7 kg) | 10,037 |
| | | | | (ii) sanitary item | 4,978 |
| 38 | Thoubal ZP | Construction of crematorium at Waithou | 2,02,519 | formwork | 17,269 |

| Sl. No. | Name of PRI | Name of the work | Expenditure (₹) | Material not purchased | Estimated cost for providing and installation of material not purchased (₹) |
|--------------------------------------------|--------------------|---------------------------------------------------------------------------------------|--------------------|------------------------|-----------------------------------------------------------------------------|
| 39 | Thoubal ZP | Construction of public toilet at Moijing wangma taba makha leikai near konjil leikai | 3,13,905 | (i) formwork, woodwork | 32,374 |
| | | | | (ii) sanitary item | 9,670 |
| | | | | CGI sheet | 7,204 |
| 40 | Thoubal ZP | Construction of public toilet and bathroom at Moijing Leingojil makha leikai | 3,13,909 | (i) formwork, woodwork | 32,374 |
| | | | | (ii) sanitary item | 8,774 |
| | | | | (iii) CGI sheet | 7,204 |
| 41 | Thoubal ZP | Construction of sanitary pucca drain at Moijing maning leikai to Sangaikol labuk taba | 3,62,138 | formwork | 30,378 |
| 42 | Oinam Sawombung GP | Construction of sanitary drain from Asem Komon leirak to Awang loubuk taba Phase-III | 2,67,095 | Material for form work | 10,126 |
| 43 | Oinam Sawombung GP | Construction of sanitary drain from lai Haraopham to Nganglou taba phase-II | 3,00,611 | Material for form work | 10,126 |
| 44 | Oinam Sawombung GP | Construction of sanitary drain at Asem Leirak to Elangbam Leirak (Second Instalment) | 3,22,023 | Material for form work | 20,252 |
| 45 | Oinam Sawombung GP | Construction of sanitary drain from Bamon Leirak to Nganglon taba (Second phase) | 3,46,742 | Material for form work | 31,053 |
| 46 | Oinam Sawombung GP | Construction of sanitary drain from Bamon Leirak to Nganglon taba (Second Phase) | 3,71,443 | Material for form work | 31,053 |
| 47 | Oinam Sawombung GP | Construction of sanitary drain at Laiphakpam leikai Ward No. 8 | 4,11,360 | Material for form work | 37,941 |
| 48 | Oinam Sawombung GP | Construction of sanitary drain from Asem Komon leirak to Awang loubuk taba Phase-II | 1,43,716 | Material for form work | 10,126 |
| Total | | | 1,02,51,787 | | 13,50,381 |
| XIVth Finance Commission | | | | | |
| 49 | Khonghampat GP | Construction of community sanitary latrine at Loitang Sandum playground Ward No. 8 | 3,10,000 | sanitary items | 31,754 |
| 50 | Khonghampat GP | Construction of community sanitary latrine at Khonghampat Mayai leikai playground | 3,03,006 | sanitary items | 31,754 |

| Sl. No. | Name of PRI | Name of the work | Expenditure (₹) | Material not purchased | Estimated cost for providing and installation of material not purchased (₹) |
|--------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------|-----------------------------------------------------------------------------|
| 51 | Mayang Langjing GP | Renovation of pond at Akham Awang Leikai near Kshetrimayum konthong and bathroom with fencing | 3,54,930 | bricks | 21,120 |
| 52 | Mayang Langjing GP | Construction of public toilet and water reservoir at Mayang Langjing Tamang | 2,50,000 | sanitary item | 10,366 |
| 53 | Phubala GP | New construction of one slab culvert near Nameirakpam Kunjabi mapa with renovation of drain at Sega road Phubala Makha Leikai | 2,26,883 | Formwork | 13,113 |
| 54 | Phubala GP | New construction of one slab culvert with sanitary drain from Oinam Nabakumar mapa to Tiddim road Tongbram mapa at Naranseina | 2,26,883 | Formwork | 13,113 |
| 55 | Thinungei GP | Construction of bathroom at Thinungei w/no. 8 | 80,000 | ms bar, formwork | 15,785 |
| 56 | Thinungei GP | Construction of bathroom at Thinungei w/no. 5 | 80,000 | ms bar, formwork | 15,785 |
| 57 | Thinungei GP | Construction of bathroom at Thinungei Ward No. 6 | 80,000 | ms bar, formwork | 15,785 |
| 58 | Oinam Sawombung GP | Construction of sanitary drain at Elangbam leirak Ward No. 4 | 1,27,216 | Material for form work | 10,463 |
| 59 | Oinam Sawombung GP | Construction of sanitary drain at Kharibam Leirak | 4,01,242 | Material for form work | 33,226 |
| Total | | | 24,40,160 | | 2,12,264 |
| TOTAL | | | 1,26,91,897 | | 15,61,645 |

Appendix-2.13*(Reference: Paragraph No. 2.1.11.1)***Irregular drawal of funds by self-cheques**

| Sl. No. | Name of PRIs | Name of CD Block | Amount drawn on self-cheque (₹ in lakh) |
|--------------|------------------------|------------------------|-----------------------------------------|
| 1 | Torban Kshetri GP | Imphal East-I CD Block | 41.74 |
| 2 | Keirao GP | Imphal East-I CD Block | 48.29 |
| 3 | Khoijuman-kwasiphai GP | Bishnupur CD Block | 89.9 |
| 4 | Phubala GP | Bishnupur CD Block | 104.63 |
| 5 | Keinou GP | Bishnupur CD Block | 102.24 |
| 6 | Thinungei GP | Bishnupur CD Block | 82.67 |
| 7 | Khonghampat GP | Imphal West CD Block | 53.1 |
| 8 | Mayang Langjing GP | Imphal West CD Block | 73.95 |
| 9 | Khangabok Part-III GP | Thoubal CD Block | 42.03 |
| 10 | Oinam Sawombung GP | Thoubal CD Block | 18.29 |
| 11 | Heirok Pt-II GP | Thoubal CD Block | 71.15 |
| Total | | | 727.99 |

Appendix-2.14*(Reference: Paragraph No. 2.1.13)***Lack of proper monitoring in execution of works**

| Sl. No. | Name of PRIs | Name of the work | Estimated amount (₹) | Remark |
|---------|----------------|---------------------------------------------------------------------------------------|----------------------|------------------------------------------------|
| 1 | Imphal East ZP | Construction of sanitary drain at Okram chuthek Ningombam maning | 1,99,314 | Brick work instead of polygonal rubble masonry |
| 2 | Imphal East ZP | Construction of sanitary drain at No. Nanao mapa kitna panung | 83,563 | Brick work instead of polygonal rubble masonry |
| 3 | Imphal East ZP | Construction of sanitary drain from okram chuthek to Bamon leikai | 1,27,913 | Brick work instead of polygonal rubble masonry |
| 4 | Imphal East ZP | Construction of sanitary drain at Thongju Pt-I near Kakwa police station | 1,79,747 | Brick work instead of polygonal rubble masonry |
| 5 | Imphal East ZP | Construction of drain from Hidampat to Sekta | 2,21,104 | Brick work instead of polygonal rubble masonry |
| 6 | Imphal East ZP | Construction of sanitary drain at Borokera near Bapul Rai mapa | 2,20,081 | Brick work instead of polygonal rubble masonry |
| 7 | Imphal East ZP | Construction of sanitary drain from Cambridge gate to Sarafuddin Abdul Salam | 1,35,963 | Brick work instead of polygonal rubble masonry |
| 8 | Imphal East ZP | Construction of sanitary drain with ring culvert Khergao main road near Abas Ali gate | 2,68,052 | Brick work instead of polygonal rubble masonry |
| 9 | Imphal East ZP | Construction of sanitary drain at Kshetri Awang leikai | 2,11,857 | Brick work instead of polygonal rubble masonry |
| 10 | Imphal East ZP | Construction of sanitary drain from Iju Thonghal to kshetrigao Main Road taba | 2,15,273 | Brick work instead of polygonal rubble masonry |

| Sl. No. | Name of PRIs | Name of the work | Estimated amount (₹) | Remark |
|---------|-----------------|------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------|
| 11 | Imphal East ZP | Construction of drain from Khulakpam Masajid with culvert of Mastan gate Khergao Awang leikai | 1,91,058 | Brick work instead of polygonal rubble masonry |
| 12 | Imphal East ZP | Construction of drain at Khergao Makha leikai | 1,91,058 | Brick work instead of polygonal rubble masonry |
| 13 | Imphal East ZP | Construction of drain at Keikhu Maning leikai | 1,74,040 | Brick work instead of polygonal rubble masonry |
| 14 | Imphal East ZP | Construction of Community toilet at Leirikyengbam Makha Leikai (LYLGP) | 1,11,756 | 2 rooms as per estimate. But 1 room constructed. |
| 15 | Imphal East ZP | Construction of public toilet Thangal Bazar Mapa at Khabam | 1,99,494 | 3 rooms as per estimate. But 1 room constructed. |
| 16 | Imphal East ZP | Construction of Community toilet at Urup Awang Leikai | 1,95,002 | 3 rooms as per estimate. But 2 room constructed. Photo is similar with toilet at Arapti Mamang Leikai. |
| 17 | Imphal East ZP | Construction of public toilet at Arapti Mamang Leikai | 2,14,069 | 3 rooms as per estimate. But 2 rooms constructed. Photo is similar with toilet at Urup Awang Leikai. |
| 18 | Imphal East ZP | Construction of Community toilet at Yumnam Khunou | 1,79,504 | 3 rooms as per estimate. But 2 rooms constructed. |
| 19 | Imphal East ZP | Construction of Sanitary Latrine at Haraorou | 2,02,254 | 3 rooms as per estimate. But 1 toilet n 1 urinal constructed. |
| 20 | Imphal East ZP | Construction of sanitary drain from Pangong makhong | 78,633 | Half brick drain instead of random rubble masonry (1:3) |
| 21 | Tulihal GP | Construction of retaining wall at Toupokpi | 2,80,589 | Wall fencing constructed instead of a retaining wall |
| 22 | Thoubal ZP | Construction of sanitary drain at Moijing Leingoijin Maning leikai to Sangaikol Labuk taba (2nd phase) | 3,63,500 | Half brick masonry instead of cement concrete 1:3:6 |
| 23 | Thoubal ZP | Construction of both side drain in between Md. Karimuddin and Md. Muhamad at Sangaikol Labuk | 2,42,043 | Half brick masonry instead of cement concrete 1:3:6 |
| 24 | Thoubal ZP | Construction of sanitary pucca drain at Moijing maning leikai to Sangaikol labuk taba | 3,62,138 | Half brick masonry instead of cement concrete 1:3:6 |
| 25 | Thoubal ZP | Construction of sanitary drain from Tharak Chaoba leikai mapa to join the existing pucca drain of Sangaikol taba | 4,30,000 | Half brick masonry instead of cement concrete 1:3:6 |
| 26 | Wangjing GP | Construction of sanitary drain at Heitupokpi Mayai leikai. | 2,23,357 | Brick work instead of polygonal rubble masonry. |
| 27 | Wangjing GP | Construction of sanitary drain at Maibam leirak ward no 5 | 3,12,796 | Brick work and cement concrete work respectively as per estimates. But photo from the same location. |
| 28 | Wangjing GP | Construction of sanitary drain at Maibam leirak ward no 5 | 2,50,166 | |
| 29 | Wangjing GP | Construction of sanitary drain at Hodamba mamang ward no 2 | 2,55,924 | Half side of drain is half brick masonry. |
| 30 | Wangjing GP | Construction of sanitary drain at Hodamba mamang ward no 2 | 2,04,680 | Cement concrete as per estimate. Brick work masonry seen. Half side of drain is half brick masonry. |
| 31 | Wangjing GP | Construction of sanitary drain at Aheibam leirak Ward No. 4. | 6,29,914 | Half side of drain is half brick masonry |
| 32 | Imphal West ZP | Community toilet (Ph-1) at Kangmong GP | 1,46,230 | Physically seen. Smaller in size than in estimate. Only one room. |
| 33 | Kanglatongbi GP | Construction of market shed near Panchayat Ghar | 7,39,742 | Amount does not commensurate with the work shown in the photograph |

| Sl. No. | Name of PRIs | Name of the work | Estimated amount (₹) | Remark |
|---------|-----------------|-------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------|
| 34 | Kanglatongbi GP | Construction of public toilet at Shantipur Mayai leikai | 5,60,095 | Urinal constructed. Amount does not commensurate with the work shown in the photograph |
| 35 | Moidangpok GP | Construction of bazar shed at Aka Lampak Ward No. 3 | 1,27,710 | RCC columns and beams as per estimate and MB but iron post as per photograph. |
| 36 | Sapam Leirak GP | Construction of public toilet at Mayaikoibi Chabungbam Leikai | 1,75,212 | 4 rooms as per estimate but only two rooms in photograph. No screenwall was also constructed. |
| 37 | Sapam Leirak GP | Construction of public toilet at Sapam Leirak Gopaldev complex Ward No. 2 | 1,75,213 | 4 rooms as per estimate but only two rooms in photograph. No screenwall was also constructed. |
| 38 | Sapam Leirak GP | Construction of public toilet at Sapam Leirak Nongmaithem leikai crematorium complex Ward No. 3 | 1,75,213 | A room is constructed instead of a toilet. |
| 39 | Keinou GP | Construction of drain at keinou Thongkha community hall left side to L. Sarat singh maning | 2,48,000 | Polygonal rubble masonry instead of full brick masonry |
| | | Total | 95,02,257 | |

Appendix-3.1*(Reference: Paragraph No. 3.1)***Non-deduction of VAT at source***(Amount in ₹)*

| Bill No. & Date | Amount (Material cost) | Amount of VAT @ 5% | Name of Firm/Suppliers |
|-----------------|---------------------------|-----------------------|----------------------------|
| 1 dt. 01/10/15 | 4,48,843 | 22,442 | M/S Asem Enterprises |
| 2 dt. 01/10/15 | 4,05,396 | 20,270 | M/S Asem Enterprises |
| 3 dt. 01/10/15 | 4,94,253 | 24,713 | M/S Asem Enterprises |
| 4 dt. 01/10/15 | 4,16,607 | 20,830 | M/S Asem Enterprises |
| 5 dt. 01/10/15 | 4,95,394 | 24,770 | M/S Asem Enterprises |
| 6 dt. 01/10/15 | 4,48,337 | 22,417 | M/S Asem Enterprises |
| 7 dt. 01/10/15 | 5,39,790 | 26,990 | M/S Asem Enterprises |
| 8 dt. 01/10/15 | 6,93,247 | 34,662 | M/S Asem Enterprises |
| 9 dt. 01/10/15 | 4,86,083 | 24,304 | M/S Asem Enterprises |
| 10 dt. 1/10/15 | 7,43,977 | 37,199 | M/S Asem Enterprises |
| 11 dt. 01/10/15 | 4,05,333 | 20,267 | M/S Asem Enterprises |
| 12 dt. 18/11/15 | 5,12,999 | 25,650 | M/S Time Agency, Bishnupur |
| 13 dt. 18/11/15 | 1,55,338 | 7,767 | M/S Time Agency, Bishnupur |
| 14 dt. 18/11/15 | 1,82,653 | 9,133 | M/S Time Agency, Bishnupur |
| 15 dt. 18/11/15 | 1,88,073 | 9,404 | M/S Time Agency, Bishnupur |
| 16 dt. 18/11/15 | 2,32,478 | 11,624 | M/S Time Agency, Bishnupur |
| 28 dt. 25/01/16 | 49,970 | 2,499 | M/S Time Agency, Bishnupur |
| 31 dt. 17/02/16 | 4,05,966 | 20,298 | M/S Time Agency, Bishnupur |
| 32 dt. 17/02/16 | 4,95,014 | 24,751 | M/S Time Agency, Bishnupur |
| 33 dt. 17/02/16 | 4,16,966 | 20,848 | M/S Time Agency, Bishnupur |
| 34 dt. 17/02/16 | 4,95,774 | 24,789 | M/S Time Agency, Bishnupur |
| 35 dt. 17/02/16 | 4,48,717 | 22,436 | M/S Time Agency, Bishnupur |
| 36 dt. 17/02/16 | 5,48,403 | 27,420 | M/S Time Agency, Bishnupur |
| 37 dt. 17/02/16 | 4,05,713 | 20,286 | M/S Time Agency, Bishnupur |
| 38 dt. 17/02/16 | 6,93,437 | 34,672 | M/S Time Agency, Bishnupur |
| 39 dt. 17/02/16 | 5,10,467 | 25,523 | M/S Time Agency, Bishnupur |
| 40 dt. 17/02/16 | 7,44,927 | 37,246 | M/S Time Agency, Bishnupur |
| 43 dt. 10/03/16 | 17,60,351 | 88,018 | M/S Time Agency, Bishnupur |
| 47 dt. 17/03/16 | 14,07,850 | 70,393 | M/S Time Agency, Bishnupur |
| Total | 1,52,32,356 | 7,61,621 | |

Appendix-5.1

(Reference: Paragraph No. 5.3)

Payment without measurement

| Sl. No. | Name of the work | Ward No. | Amount (₹) |
|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------|------------|
| XIIIth Finance Commission (GBG) for the year 2012-13, 1st Inst. | | | |
| 1 | Const. of water reservoir tank at Moirang panshang Leikai leirak Achouba | Ward No. 1 | 1,45,492 |
| 2 | Const. of RR drain at Moirang Hemam Leikai machin to Public toilet complex | Ward No. 2 | 1,45,476 |
| 3 | Const. of RR drain at Moirang Kumam leikai mandop leirak | Ward No. 3 | 1,45,476 |
| 4 | Const. of RR drain at Moirang Shribon Leikai, Angom leirak | Ward No. 4 | 1,45,476 |
| 5 | Const. of RR drain at Moirang Phairembam leikai | Ward No. 5 | 1,45,476 |
| 6 | Const. of RR drain at Moirang Phairembam leikai | Ward No. 6 | 1,45,476 |
| 7 | Const. of RR drain at Moirang Yukhaibam leikai, southern side | Ward No. 7 | 1,45,476 |
| 8 | Const. of RR drain at Maibram leikai | Ward No. 8 | 1,45,476 |
| 9 | Const. of RR drain at Moirang Mairembam Leikai, college gate, Sapam Leirak | Ward No. 9 | 1,45,476 |
| 10 | Const. of RR drain at Moirang Okshongbung Leikai Konengbam Leirak | Ward No. 10 | 1,45,476 |
| 11 | Const. of RR pipe culvert at Moirang Okshongbung leikai near Hanukhong Maril | Ward No. 11 | 1,45,499 |
| 12 | Const. of RR drain at Moirang Thoya leikai | Ward No. 12 | 1,45,476 |
| XIIIth Finance Commission (GBG) for the year 2012-13, 2nd Inst. | | | |
| 13 | Construction of water reservoir tank at Moirang Panshang Leikai, Mamang Leirak | Ward No. 1 | 1,45,000 |
| 14 | Construction of R/R drain at Moirang Hemam Leikai and Konjengbam Leikai | Ward No. 2 | 1,45,000 |
| 15 | Construction of R/R drain at Moirang Kumam Leikai IVR Road Western side | Ward No. 3 | 1,45,000 |
| 16 | Construction of R/R drain at Moirang Shribon IVR Northern side | Ward No. 4 | 1,45,000 |
| 17 | Construction of R/R drain at Moirang Phairembam Leikai IVR, Northern side | Ward No. 5 | 1,45,000 |
| 18 | Construction of R/R drain at Moirang Phairembam Leikai | Ward No. 6 | 1,45,000 |
| 19 | Construction of R/R drain at Moirang Yumkhaibam Leikai, Little Birds School Road | Ward No. 7 | 1,45,000 |
| 20 | Construction of R/R drain at Moirang Mayai Leikai IVR, Northern side | Ward No. 8 | 1,45,000 |
| 21 | Construction of Garbage bin at Moirang Thana Leikai near L.P. School | Ward No. 9 | 1,45,000 |
| 22 | Construction of R/R drain at Moirang Okshongbung Leikai, Konjengbam Leirak | Ward No. 10 | 1,45,000 |
| 23 | Construction of R/R drain at Moirang Okshongbung Leikai, AhongbamLeirak | Ward No. 11 | 1,45,000 |
| 24 | Construction of R/R drain at Moirang Thoya Leikai Southern side | Ward No. 12 | 1,45,000 |
| XIIIth Finance Commission (GBG & GPG) for the year 2013-14, 1st Inst. | | | |
| 25 | Construction of R/R drain at Moirang Panshang Leikai, | Ward No. 1 | 2,16,387 |
| 26 | Construction of R/R masonry drain at Moirang Konjengbam Leikai Iboomcha Leirak | Ward No. 2 | 2,16,387 |
| 27 | Construction of R/R masonry drain at Moirang Kumam Lambi (Southern side to Northern side) | Ward No. 3 | 2,16,387 |
| 28 | Construction of Barbed wire Fencing 1.52m-H with angle iron post at Chingei Leikai | Ward No. 4 | 2,16,387 |
| 29 | Construction of R/R masonry drain at Moirang Ibudhou Laikoi Pung ward | Ward No. 5 | 2,16,387 |
| 30 | Construction of R/R masonry drain at Moirang Phairembam Leikai, Near Club building | Ward No. 6 | 2,16,387 |

| Sl. No. | Name of the work | Ward No. | Amount (₹) |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------|
| 31 | Construction of R/R masonry drain at Moirang Laishangbam Leikai, Near Lai-Nongshaba | Ward No. 7 | 2,16,387 |
| 32 | Construction of R/R masonry drain with ring pipe at Moirang Phiwangbam Leikai, Ahanthem Mamang | Ward No. 8 | 2,16,387 |
| 33 | Construction of RCC ring pipe | Ward No. 9 | 2,16,387 |
| 34 | Construction of R/R masonry drain at Moirang Khiru Leikai, | Ward No. 10 | 2,16,387 |
| 35 | Construction of R/R masonry drain with slab cover at Moirang Leirengjam Leirak near Citizen club, | Ward No. 11 | 2,16,387 |
| 36 | Construction of R/R masonry drain at Moirang Shribon Leikai, | Ward No. 12 | 2,16,387 |
| XIVth Finance Commission (GBG) for the year 2015-16, 1st Inst. | | | |
| 37 | Construction of Drain at Moirang Patlou leikai, near Cinema Hall Leirak, | Ward No. 1 | 1,90,785 |
| 38 | Constructon of R.R Drain at Moirang Konjengbam Ibomcha Leirak | Ward No. 2 | 1,90,785 |
| 39 | Construction of R.R Drain at Yumjao Leirembi Machin to Keipha Road, | Ward No. 3 | 1,90,785 |
| 40 | Construction of recreation park at Moirang Kiyam Leikai, | Ward No. 4 | 1,90,785 |
| 41 | Consturion of Fencing steel wire fabric 1.52 height with angle iron post at Moirang Phairembam Leikai, | Ward No. 5 | 1,90,785 |
| 42 | Construction of R/R masonry drain at Moirang Moirangthem Leijubam northern side | Ward No. 6 | 1,90,785 |
| 43 | Construction of R/R masonry drain at a) MoirangLaishangbamLeikai to Lord Thangjing Temple and b) YumkhaibamMachin to PhilemMachin | Ward No. 7 | 1,90,785 |
| 44 | Construction of R/R masonry drain at Moirang Mayai Leikai IVR both side of the road, | Ward No. 8 | 1,90,785 |
| 45 | Construction of R/R masonry drain at Moirang Thana Leikai western side, | Ward No. 9 | 1,90,785 |
| 46 | Construction of R/R masonry drain at Moirang Khoiru Leikai (L.C.M. Road), | Ward No. 10 | 1,90,785 |
| 47 | Construction of R/R masonry drain at Moirang Okshongbung Leirengjam Leirak, | Ward No. 11 | 1,90,785 |
| 48 | Construction of R/R masonry drain at Moirang Kokilbon Leikai, IVR southern side | Ward No. 12 | 1,90,785 |
| Assignment to Local Bodies & OAI (Non-Plan) for the year 2013-14 | | | |
| 49 | Construction of R/R Masonry drain at Moirang Patlou Leikai near Konjeng JB School, | Ward No. 1 | 2,93,000 |
| 50 | Construction of R/R masonry drain at Moirang Konjengbam(Thangrakpam Lane) & construction of Ibudhou Ningthempokpa Mandir foundation | Ward No. 2 | 2,93,000 |
| 51 | Construction drain at Moirang Moirangthem Leikai | Ward No. 3 | 2,93,000 |
| 52 | 1. Construction of Bath room for both Ladies & Gents a) Moirang Kiyam Leikai, b) Moirang Turenbal Leikai, c) Construction of Garbage bin at Turenbal Leikai near Community Hall | Ward No. 4 | 2,93,000 |
| 53 | Extension of Community Hall at Moirang Sendra Road. | Ward No. 5 | 2,93,000 |
| 54 | Construction of R/R drain at Moirang Moirangthem Leijubam Leikai | Ward No. 6 | 2,93,000 |
| 55 | 1. Construction of R/R drain at a) Moirang Philem Leikai Kumbi Road to Philem Culvert (Southern side) b) Moirang Mayai Leikai (Northern side), | Ward No. 7 | 2,93,000 |
| 56 | Construction of R/R drain at Devi Mandop Lane Moirang (Northern side), | Ward No. 8 | 2,93,000 |
| 57 | Construction of R/R drain at Moirang Thana Leikai Lane (Northern side), | Ward No. 9 | 2,93,000 |
| 58 | Construction of RCC foundation with Wooden frame bridge at Angom Leikai, | Ward No. 10 | 2,93,000 |
| 59 | Construction of R/R drain at Moirang Okshongbung mamang Leikai, (Ahongbam Lane | Ward No. 11 | 2,93,000 |
| 60 | Construction of RR drain at Thana Leikai lane Moirang (southern side) | Ward No. 12 | 2,93,000 |

| Sl. No. | Name of the work | Ward No. | Amount (₹) |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------|--------------------|
| Assignment to Local Bodies & OAI (Non-Plan) for the year 2014-15 | | | |
| 61 | Const. of drain at Moirang Panshang Leirak Achouba (Eastern side) | Ward No. 1 | 3,37,000 |
| 62 | Const. of drain at Moirang Konengbam Leikai near K. Mohindro Singh resident (northern side) | Ward No. 2 | 3,37,000 |
| 63 | Const. of drain at Moirang Kuman Leikai main road | Ward No. 3 | 2,68,681 |
| 64 | Const. of bath room for both Ladies & Gents at Kuman Leikai | Ward No. 3 | 68,449 |
| 65 | Const. of drain at Moirang Shribon Leikai main road (northern side) | Ward No. 4 | 3,37,000 |
| 66 | Const. of R/R drain at Moirang Phairembam Leikai (mandop to RK Shamu) | Ward No. 5 | 3,37,000 |
| 67 | Const. of R/R masonry drain at Moirang phairembam leikai | Ward No. 6 | 3,37,000 |
| 68 | Const. of R/R drain at Moirang Yumkhaibam mandop to little bird school & Yumkhaibam machin to Thangjing temple chin | Ward No. 7 | 3,37,000 |
| 69 | Const. of library cum club building at Thangjing Mamang leikai | Ward No. 8 | 3,37,218 |
| 70 | Const. of R/R drain at moirang mayai Leikai IVR, (southern side) & Moirang Thana Leikai (Northern side), Phase-II | Ward No. 9 | 3,37,000 |
| 71 | Const. of R/R drain at Moirang Okshongbung leikai Kongjengbam Leirak & Khoiru leikai Awang leikai, Phase II | Ward No. 10 | 3,37,000 |
| 72 | Construction of R/R masonry drain at Moirang Okshongbung Ahongbam leikai (northern side) | Ward No. 11 | 3,37,000 |
| 73 | Const. of R/R drain at Moirang Thoiya Leikai (southern side) Phase II | Ward No. 12 | 3,37,000 |
| Total | | | 1,59,32,316 |

Appendix-5.2

(Reference: Paragraph No. 5.4)

Less collection of rent

| Sl. No. | Area | No. of shop | Monthly rent collected (₹) | Total rent collected (from June 14 to Mar 16) (₹) | Actual Amount to be collected (₹) | Difference in amount (₹) |
|--------------|-------------------------------------------|-------------|----------------------------|---------------------------------------------------|-----------------------------------|--------------------------|
| 1 | Thoubal Wangmataba (Ground Floor) | 13 | 500 | 1,43,000 | 2,86,000 | 1,43,000 |
| 2 | Thoubal Wangmataba (First Floor) | 13 | 350 | 1,00,100 | 2,86,000 | 1,85,900 |
| 3 | Thoubal Athokpam Bazar | 19 | 300 | 1,25,400 | 4,18,000 | 2,92,600 |
| 4 | Thoubal Athokpam Makha (Heikreng makhong) | 14 | 150 | 46,200 | 3,08,000 | 2,61,800 |
| Total | | 59 | | 4,14,700 | 12,98,000 | 8,83,300 |

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