

No.V (1)/66- Fin (LA) Vol-11
Government of Himachal Pradesh,
State Audit Department.

From

The Director,
H.P. State Audit Department,
Shimla-171009.

To

The Commissioner,
Municipal Corporation Shimla,
Shimla-171001

Dated....., Shimla-171009, the.....

Subject:- ***Audit and Inspection Report on the accounts of Municipal Corporation Shimla for the period 01.04.2016 to 31.03.2018.***

Sir,

I am directed to forward herewith the audit & inspection note on the accounts of Municipal Corporation Shimla for the period 4/2016 to 3/2018 for taking further necessary action at your end. You are also requested to submit annotated reply to the paras of the above audit report to this department within one month.

It is worthwhile mentioning that there are quite a large number of unresolved old audit paras which are not getting the attention. Therefore, you are requested to initiate an early action for time-bound settlement of these paras.

Yours faithfully,

(Jitendar Singh)

Additional Director,
Himachal Pradesh State Audit Department,
Shimla-171009
Ph.No.0177-2620046.

Encl: As above.

Endst. No. As above... Shimla-171009, the...

Copy forwarded to :-

1. The Principal Secretary (UD) to the Government of Himachal Pradesh for information and necessary action.
2. The Director, Urban Development, HP, Shimla-2 for information and necessary action.

(Jitendar Singh)

Additional Director,
Himachal Pradesh State Audit Department,
Shimla-171009
Ph.No.0177-2620046.

***Government of Himachal Pradesh
State Audit Department,
Block No-38, S.D.A. Complex,
Kasumpti, Shimla-171009***



***Audit and Inspection Report on the
Accounts of Municipal Corporation,
Shimla
for the Period 04/2016 to 03/2018***

**Audit & Inspection Report on the accounts of
Municipal Corporation Shimla for the period
01.04.2016 to 31.03.2018
Part –I**

1 Introduction

(a) Consequent upon the amendment carried out by the Government in sub section 3 of section 161 of H.P. Municipal Act vide Act No. 19 of 2007 in accordance with provisions of Eleventh Finance Commission, the audit of Accounts of Municipal Corporation Shimla has been conducted by the staff of Director-cum- Examiner Local Audit Department (Now H.P. State Audit Department) as per guidelines contained in Govt. of Himachal Pradesh Finance Department notification No. 1-376/81-Fin (LA) – Vol. IV dated 16.10.08. The accounts of Municipal Corporation Shimla have been converted into double entry system on accrual basis w.e.f. 01.04.2007 and thereafter the accounts are being maintained accordingly.

(b) During the audit period the charge of the office of the Hon’ble Mayor, Commissioner and Asstt. Commissioner / Joint Commissioner-cum-DDO was held by the following Officers:-

Sr. No.	Name	Period	
		From	To
(1)	The Hon’ble Mayor		
1	Sh. Sanjay Chauhan	01/04/2016	04/06/2017
2	Smt. Kusum Sadrat	20/06/2017	31/03/2018
(2)	The Commissioner		
1	Sh. Pankaj Raj, HAS	01/04/2016	05/04/2017 (FN)
2	Sh. GC Negi, HAS	05/04/2017 (AN)	01/01/2018
3	Sh. Rohit Jamwal, IAS	02/01/2018	31/03/2018
(3)	Asstt. Commissioner		
1	Sh. Parshant Sarkek, HAS	01/04/2016	31/03/2017
(4)	Joint Commissioner		
2	Sh. Prashant Serkek, HAS	01/04/2017	23/01/2018
3	Sh. Neeraj Mohan, HAS	24/01/2018	12/02/2018
4	Sh. Sh. Vikas Sood, HAS	13/02/2018	31/03/2018

(c) An Overview of the serious irregularities :-

Sr.No	Brief description of irregularity	Para No.	Amount (` in lac)
1.	Non recovery of dishonored cheques	4.6	90.08
2.	Difference between pension fund, general provident fund and contributory pension scheme Statements and Schedule-B 2 of Balance Sheet	5.2	127.63 (2016-17) (-)-72.69 (2017-18)
3.	Not utilizing the amount received under the head of Deposit works (Schedule B-8)	5.5	118.95
4.	Non-adjustment of water charges liability of Jal Shakti Department	5.8	21747.39
5.	Non-depiction of amount due from Mobile Tower Companies under Sundry Debtors in the Balance Sheet	5.11	12.71
6.	Less amount added under head fixed assets as compared to capital expenditure incurred	5.12	2189.74
7.	Short realization of interest on FDRs	6.2	3.20
8.	Difference between figures of FDRs Statements and Schedule-B 13 (FDRs) of Balance Sheet	6.3	22.16
9.	Non adjustment of outstanding advances as on 31/03/2018	7	2309.06
10.	Non recovery of various taxes / charges as on 31/03/2018	8	3308.82
11.	Difference in figures of Grants Received as per Grants-in-aid statements and Balance Sheet Schedules	11.1	585.67
12.	Loss of revenue due to undercharging of rates for	12.2	2.43

	restoration charges of road & path digging		
13.	Suspected short realization on account of Compounding Fees	12.3(i)	2.35
14.	Revenue Loss due to undue delay in re-allotment of Parking Lots	12(4)(i)(ii)	17.85
15.	Short realization on account of Lease Rent due to various errors of carrying forward, wrong balancing etc.	12.5(ii)	4.65
16.	Overcharging of Lease Rent to Director, Medical College, Shimla	12.5(v)	7.19
17.	Revenue Loss due to irregular grant of rebate on Property Tax & other factors	12.6(ii)	1.66
18.	Short realization on account of Shop Rent & Interest thereon etc. due to various errors of carrying forward, wrong balancing, over-indication of collections, non-charging of interest etc.	12.7(i)	2.98
19.	Iregular payment to advocates of corporation	13.1	34.15
20.	Payment of damages and interest due to late deposit of provident fund and allied dues	13.2	26.17
21.	Overpayment on account of Family Pension plus DR & IR due	14(i)	1.88
22.	Overpayment under work bills due to wrong calculations of quantities in measurement books and levying of wrong item rates etc.	16.1 (iii),16.2(ii), 16.3(ii), 16.5	1.06
23.	Non deduction of royalty in work bills	16.1(i), 16.2(i), 16.3(i).16.4	8.77
24.	Not showing the sanction of competent authority in respect of hiring manpower from saheb society	17.1(i)	47.05
25.	Not showing the sanction of competent authority	17.1(iii)	50

	in respect of payment of pay to the staff of saheb society		
26.	Not showing the sanction of competent authority about transferring of amount to pension fund.	17.2	1888.46
27.	Non recovery of excess consumption of fuel	19 (i)	1.29

(d) Outstanding old Audit Paras/Memos:-

There are 3645 No. audit paras/audit memos pending for settlement. The detail of pending audit paras /audit memos is shown in **Annexure 'A'** of this report:-

Sr. No	Year	No. of Audit memos pending for settlement	No. of Audit paras i/c sub paras pending for settlement	Total
1	1978-79	241	-	241
2	1979-80	210	-	210
3	1980-81	180	14	194
4	1981-82	141	23	164
5	1982-83	218	27	245
6	1983-84	110	9	119
7	1984-85	102	11	113
8	1985-86	124	13	137
9	1986-87	175	5	180
10	1987-88	266	6	272
11	1988-89	250	9	259
12	1989-90	242	10	252
13	1990-91	135	7	142
14	1991-92	277	16	293
15	1992-93	254	42	296
16	1993-94	Information not available		
17	1994 to 1996	-	173	173

18	1996-2000	-	166	166
19	2000-2009	-	13	13
20	2009-2010	-	13	13
21	2010-2011	-	10	10
22	2011-12 to 2012-13	-	16	16
23	2013-14	-	22	22
	Total	2925	605	3530
24	2014-16	--	110	110
Total			715	3640

The municipal authorities were requested vide audit memo No. 93 dated 23/12/2021 and audit memo no. 39 dated 10/05/2022 to submit the year wise annotated reply of the pending audit paras/ audit memo's but no serious efforts has been made by the authorities to submit the annotated replies and to get these paras settled. Strenuous efforts are, therefore, required to be taken by the authorities for submission of reply and the early settlement of prolonged outstanding paras.

Part –II

2. Present Audit

The present audit inspection of the accounts of the Municipal Corporation Shimla for the year 2016-17 & 2017-18 was conducted by the audit party consisting of Sh. Puneesh Sagar, Deputy Controller, Sh. Brajender Mohan Puri, Assistant Controller, Sh. Ajay Kumar Junior Auditor and Sh., Vicky Kumar, Junior Auditor.

The following months of account were selected for detailed Audit of income & expenditure and the results thereof have been incorporated in the succeeding paragraphs:-

Financial Year	Months selected for detailed Audit	
	Income	Expenditure
2016-17	03/2017	03/2017
2017-18	05/2017	08/2017

The Himachal Pradesh State Audit Department disclaims any responsibility for any incomplete/misinformation or non submission of information on the part of auditee.

3. Audit Fee

The audit fee for conducting the audit of accounts of the Municipal Corporation Shimla for the period 01.04.16 to 31.03.18 has been worked out to `289200/-. The Commissioner, Municipal Corporation Shimla was requested vide audit memo No. 75, dated 22.07.2022 to remit the said audit fees to the Director, Himachal Pradesh State Audit Department, Block No. 38, SDA Complex, Kasumpti, Shimla- 09 by way of Demand Draft favoring Director, Himachal Pradesh State Audit Department at the earliest.

4. Financial Position

AO (Pg 8-16) The Financial Position of Municipal Corporation Shimla, i.e., the Balance Sheet as on 31.03.2017 & 31.03.2018 and Income & Expenditure Account for the year 2016-17 & 2017-18 as prepared by the Chartered Accountant engaged by the Municipal Corporation, Shimla are appended as **Annexure-‘B’** of this report.

4.1 The detail of closing balance as per bank accounts along with the bank reconciliation statements as on 31.03.2017 & 31.03.2018 is appended at **Annexure‘B-I’**.

During the audit the following irregularities were observed in respect of bank reconciliation statements :- .

4.2 (i) Bank Account no. 10835924882 (Head:- 450-23-01):-

(a) Not incorporating the reverse entries of Rs. 1418848 in cash book :-

As per Bank Reconciliation Statement the reverse entries of `1418848/- have not been done in cash book till 31/03/2018 by the MC in respect of cheques returned by the bank as detailed below. Besides above the audit was also not apprised with the steps taken by the MC for the recovery of this amount from the concerned individuals/firms/institutions. In the absence of which the amount recovered in this account could not be verified. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement and recovery of above amount may also be ensured under intimation to audit.

S.No.	Cheque no./ RTGS	Date	Amount (`)
1.		06/2015	40
2.	260582	11.07.2015	1669
3.		22.07.2015	4197
4.		22.07.2015	4197
5.		01.10.2015	7826
6.	147484	06.10.2015	2250
7.		08.10.2015	7700
8.	97181	15.10.2015	30623
9.		07.11.2015	100
10.		26.11.2015	180
11.		10.12.2015	2840
12.		14.01.2016	130
13.		14.01.2016	180
14.		14.01.2016	180
15.	216744	06.02.2016	6553
16.	610870	06.02.2016	500000
17.	392205	10.02.2016	15810
18.	288596	11.02.2016	13914
19.	3271	12.02.2016	19200
20.	29	16.02.2016	39971
21.	239871	17.02.2016	41600.55
22.		17.02.2016	13349
23.	239821	17.02.2016	9600
24.	239819	17.02.2016	9600
25.	239822	20.02.2016	14400
26.	239825	20.02.2016	16000

27.	184459	11.03.2016	2483
28.	418	23.03.2016	31340
29.		31.03.2016	30
30.	116870	02.04.2016	20768
31.		02.05.2016	7893
32.	809091	11.05.2016	3788
33.	438022	12.05.2016	14445
34.		21.10.2016	121000
35.		4.10.2016	4284
36.		4.10.2016	50000
37.		15.10.2016	2148
38.		21.10.2016	50000
39.		10.11.2016	3351
40.		11.11.2016	251260
41.		25.11.2016	3747
42.		02.03.2017	2500
43.		02.03.2017	2500
44.		08.03.2017	2245
45.		08.03.2017	9389
46.		08.03.2017	2904
47.		08.03.2017	2904
48.		08.03.2017	17578
49.		08.03.2017	1432
50.		08.03.2017	2864
51.		08.03.2017	1432
52.		08.03.2017	3092
53.		08.03.2017	1432
54.		15.03.2017	1500
55.		15.03.2017	7000

56.		23.03.2017	29229
57.	1647649	21.09.2017	2200
		Total	`1418848

(b) Not settling the difference of `0.05 lac on account of bank charges :-

It was observed during the audit that the entry of bank charges of `5256/- as detailed below was not done in the cash book till 31/03/2018. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying the needful may be done to settle the differences under intimation to audit.

S.No.	Date	Amount (`)
1	1/4/15 to 31/3/16	3833
2		304
3		605
4		40
5		150
6		158
7		146
8		20
	Total	`5256

(c) Not apprising the audit regarding the reasons of less credit given by bank amounting to `40.54 lacs:-

During the audit it was observed that an amount pf Rs. 4535358/- was deposited in the bank out of which `4054886/- remained uncredited in bank till 31/03/2018 as detailed below. But neither the reasons in this regard were intimated nor the credit given by bank of this amount after 31/03/2018 was shown till the conclusion of the audit despite asking vide audit memo no. 47 dated 15/06/2022. Hence besides justifying it ,the credit given by the bank of `4054886/- may be shown and got verified during next audit.

S.No.	Date	Particulars	Amount deposited (₹)	Amount credited till 31/03/2018	Amount remained uncredited till 31/03/2018 (₹)
1.	01.04.17	`477698/- were deposited in bank vide BRV no. 1 dated 1/4/17 out of which `472198 were credited by the bank & `5500/- (477698-472198) remained less credited till 31/03/18.	477698.00	472198.00	5500.00
2.	28.03.18	BRV No. 341 amounting to `7,25,775/- was entered In CB out of which `5,516/- were credited by bank till 31.03.18	725775.00	5516.00	720259.00
3.	29.03.18	BRV No. 342 amounting to `23,39,868/- was entered In CB out of which `2,758/- were credited by bank till 31.03.18	2339868.00	2758.00	2337110.00
4.	31.03.18	BRV No. 343 amounting to `9,92,017/- was entered In CB but not credited by bank till 31.03.18	992017.00	0.00	992017.00
		Total	4535358.00	480472.00	4054886.00

(d) Not incorporating the interest received on fixed deposit in books amounting to `0.15 lac :-

The interest received amounting to `15742/- on fixed deposits as detailed below was neither entered in cash book till 31/03/2018 nor the detail of fixed deposits on which this interest was earned mentioned in bank reconciliation statement. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022 but no reply was received till the conclusion of the audit, therefore, besides justifying it the needful may be done in this regard under intimation to audit.

S. No.	Date	Amount of interest (₹)
1	24/04/2017	3477
2	30/06/2017	9452
3	01/07/2017	2813
	Total	15742/-

(e) Not incorporating the debit/credit entries in books amounting to `0.98 lac.

It was observed that the reverse entries (debit / credit) amounting to `98123/- were pending in cash book till 31/03/2018. But neither the needful done in this regard after 31/03/2018 was shown nor the audit was apprised with the steps taken for the recovery of `83987/- [98123- 14136(3265+10871)] from the concerned individuals/firms/institutions. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the audit may be apprised with compliance after doing the required entries in cash book to settle down the difference.

S.No.	Date	Cheque No.	Amount (₹)	Entry pending in cash book
1	21/4/17	RTGS	3265.00	Dr.
2	18/12/17	RTGS	10871.00	Dr.
3	25.09.17	137979	2758.00	Cr.
4	08.01.18	28073	1970.00	Cr.
5	19.01.18	991150	16380.00	Cr.
6	01/02/18	325994	29273.00	Cr.
7	19.01.18	991148	13650.00	Cr.

8	23.03.18	835114	2758.00	Cr.
9	23.03.18	28898	11510.00	Cr.
10	26.03.18	956574	2758.00	Cr.
11	26.03.18	903366	2930.00	Cr.
		Total	98123.00	

(f) Not incorporating the credit entry in cash book (450-23-01) amounting to `31.37 lacs.

During the audit it was observed that a payment of `3137261/- (15,17,700+16,19,561) was incurred vide BPV NO. 311 (`15,17,700/-) & 313 (16,19,561/-) dated 10/10/17 under CB 450-23-03, but as this payment remained uncleared. The reverse was done and amount was deposited back in same cash book vide BRV no. 23 (1517700/-) and 24 (1619516/-) dated 31/03/2018 but alongwith this the debit entry of this amount was also done in CB 450-23-01 vide BRV no. 194 dated 18/10/2017. In this regard neither any clarification was given nor any rectification was done in cash book till 31-03-2018 to settle down the difference. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done under intimation to audit.

(g) Not clarifying the position regarding credit given by bank amounting to `6.38 lacs

It was observed that a credit amounting to `638438/- was given by the bank as on 26/03/2018 and same was depicted in bank reconciliation statement, but the reasons of credit were not clarified during audit despite several reminders. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was received till the conclusion of the audit. Therefore, besides justifying it the reasons of credit given may be got clarified from the bank followed with needful action in this regard to settle down the difference under intimation to audit.

(h) Not providing the record relating to LMK (Loakmitrakendra) receipts amounting to `19.01 lacs which remained undeposited in bank

While checking the bank reconciliation statement it was observed that an amount of `1901260.08 was deducted from the balance of cash book to reconcile the balance with the bank balance as on 31/03/2018. During discussion on this matter it was apprised to audit that the amount relates to LMK (Lok mitrakendra) receipts and had been deducted in bank reconciliation statement from the balance of cash book as on 31/03/2018, because this amount which had been debited in cash book was actually not credited in bank account. But due to non-production of related record the audit couldn't verify the authenticity of this entry. MC office was asked to provide the record vide audit memo no. 47 dated 15/06/2022, but the requisited record was not provided till the conclusion of the audit. Therefore, besides justifying it, the required entries in this regard may be done and got verified during next audit.

(i) Not getting the situation clarified from the bank whether the cheques amounting to `1.65 lacs has been credited in account or not :-

As per bank reconciliation statement the cheques amounting to `165240/- were shown dishonoured in the statement relating to dishonoured cheques provided by the bank to Municipal Corporation office. But in bank passbook / statement the required debit on this account was not given by the bank. However, on the basis of this information provided by the bank the following amount of `165240/- was credited in cash book which resulted in difference of this amount. MC office was asked to get it clarified from the concerned bank vide audit memo no. 47 dated 15/06/2022, but audit was not apprised about it till the conclusion of the audit. Therefore, besides, justifying it the needful may be done to settle the differences in bank reconciliation statement and recovery of above amount may also be done under intimation to audit.

Date	Cheque no.	Amount (`)
------	------------	--------------

12/12/17	2953	48600/-
12/12/17	2890	116640/-
	Total	`165240/-

(j) Under debit amounting to `0.01 lac in cash book :-

It was observed that the reverse entries amounting to `780860/- had been done in the cash book in respect of time barred cheques which were issued but not presented for payment. However the cash book was under debited by `1050/- as detailed below. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

BRV No.	Date	Voucher Amount (₹)	Period to which cheques relate.	Amount of cheques issued but not presented for payment (₹)	Difference (₹)
325	14/03/18	724428.00	06/14 to 03/15	723478.00 (1000+9000+6800+652428+9460+4270+7810+31460+1250)	+950.00
326	14/03/18	56432.00	04/15 to 03/16	58432.00 (21306+3500+3130+530+6228+17600+6138)	-2000.00
	Total	780860.00		781910.00	1050/-

(k) Not getting the situation clarified/rectified in respect of wrong debit of `0.03 lac given by the bank :-

While checking the Bank Reconciliation Statement (BRS) provided to audit it was observed that a debit of `3281/- (cheque no. 975723 dated 28/07/2017) was given by the bank, but as intimated to audit this cheque was not issued by MC office. During the audit MC office was asked vide audit memo no. 47 dated 15/06/2022 to get it clarified and

rectified from the bank, but audit was not apprised with the action taken in this regard till the conclusion of the audit. Therefore, the clarification in this regard may be sought from the bank followed with needful action to settle down the difference under intimation to audit.

(l) Not showing the reverse entry of `0.08 lac in cash book :-

During the audit of bank reconciliation statement (BRS, 31/03/2017) it was observed that reverse entry done in respect of following cheques which were issued but not presented for payment amounting to Rs. 8869/- were not shown in cash book till the conclusion of audit despite asking for it verbally and vide audit memo no. 47 dated 15/06/2022. Therefore, besides justifying it the relevant entries may be casted and concerned record should be produced to the audit.

Sr. no.	Cheque no.	Date	Amount (`)
1	948842	7/9/15	7869
2	948859	10/9/15	1000
		Total	`8869

4.2 (ii) Bank Account no. 10835924882 (Head:- 450-21-01):-

(a) Not incorporating the reverse debit entry in cash book amounting to `267/-:-

During the audit it was observed that bank charges amounting to `267/- were credited in excess in the cash book as detailed below. However, the required rectification done in this regard in cash book after 31//03/2018 was not shown during the audit. MC office was asked to justify /clarify about the same vide audit memo no. 47 dated 15/06/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

Bank charges entered in cash book as on 31/03/2018.(X)	Bank charges which should have been entered / credited in cash book. (Y)	Bank charges excess entered / credited in cash book. (X-Y)
2026/-	1759/- [933/-(dated 7/7/17)+177/-	267/-

	(dated 3/11/17)+649/-(dated 12/3/18)].	
--	----------------------------------------	--

(b) Less carry forwarding the balance in cash book amounting to `0.58:-

During the audit it was observed that in cash book the opening balance as on 01/04/2017 was less carry forwarded by `0.58 (26698043.86-26698043.28), but the required rectification done in this regard in the cash book after 31/03/2018 was not shown by MC office despite asking vide audit memo no. 47 dated 15/06/2022. Therefore, besides justifying it the needful may be done to settle the difference in bank reconciliation statement under intimation to audit.

(c) Not explaining the reasons of less debit by bank amounting to `2 lacs:-

During the audit despite several reminders the audit was not apprised with the reasons of less debit of `200000/- by the bank i.e. debiting only `3656901/- instead of `3856901/- in response to transfer amounting to `3856901/- vide contra voucher no. 189 dated 3/10/16 and the required action taken by MC for the settlement of this difference in balances of cash book and bank account after 31/03/2018. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the difference in bank reconciliation statement under intimation to audit.

(d) Not clarifying the reason of debit by bank amounting to `0.49 lac :-

While checking the bank reconciliation statement (BRS) provided to audit it was observed that a debit of amount `49205/- was by the bank on dated 07/07/2017. But the reasons of debit amount `49205/- were not clarified during the audit by the MC office. MC office was asked to get it clarified from concerned bank vide audit memo no. 47

dated 15/06/2022 but audit was not apprised regarding this till the conclusion of the audit. Therefore, besides justifying it the clarification in this regard may be sought from the bank followed with needful action in this regard to settle down the difference in BRS under intimation to audit.

4.2 (iii) Bank Account no. 4380116331 (Head:- 450-23-03):-

(a) Less carry forwarding the balance in cash book amounting to `23/- :-

AO (Pg 16-29) It was observed that opening balance had been carry forwarded short by `23/- (34990752-34990729) in cash book as on 01/04/2017, but no clarification in this regard was given to audit despite verbal and written reminders vide audit memo no. 47 dated 15/06/2022. Hence, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

(b) Not clarifying the reason of difference amounting to `45.04 :-

In Bank reconciliation statement (BRS) a difference of `45.04 was depicted but despite several reminders the reason in this regard was not apprised to audit. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying it the reasons of difference may be arrived at to settle the differences in bank reconciliation statement under intimation to audit.

(c) Not taking the required steps to settle down the difference amounting to `4.77 lacs :-

It was observed that payment amounting to `477128/- remained uncleared till 31/03/2018 out of total payments released of `21440875/- by the MC office as detail given below. The payment has become time barred also i.e. more than 3 months have elapsed from the dates of release of payments up to 31/03/2018, but the audit was neither apprised with the reasons of non-clearance of above payment by the bank nor the corrective steps were taken up by MC office for removing this difference. MC office was also asked to justify /clarify about it vide audit memo no. 47 dated

15/06/2022, but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

Voucher no.	Date	Total amount of voucher / payment released	Amount remaining unreleased / uncleared till 31/03/2018.
BPV -280	21/08/2017	15014840/-	83611/-
BPV-299	22/09/2017	346645/-	21332/- (5333/- X 4)
BPV-303	27/09/2017	6079390/-	372185/-
	Total	21440875/-	477128/-

(d) Not getting the required correction done from concerned bank to settle down the unreconciled difference amounting to `13.07 lacs :-

As per BRS an amount of `1307230/- was debited in excess by the bank as detail given below, but no information was provided to the audit in respect of necessary rectification done in this regard from the concerned bank after 31/03/2018. MC office was also asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022 but no reply was given till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

Voucher no.	Date	Total amount of voucher	Amount debited in excess by bank
BPV -337	29/11/2017	144573/-	144573/- (debited twice)
BPV-318	17/10/2017	1952105/-	1162257/- (debited twice)
BPV-122	30/05/2016	106140/-	400/- (debited `106540/- instead of `106140/-)
		Total	`1307230/-

(e) Not clarifying the reasons of rectification entries done in cash book:-

While checking the bank reconciliation statement (BRS) it was observed that a difference of `271505.04 (68499.04+203006) was depicted, but despite several reminders neither the reasons of rectifications entries done in the cash book by way of debiting/crediting the amount of `271505.04 as detail given below were clarified to the audit nor the required entries done in this regard after 31/03/2018 to settle down the above difference of `271505.04 in books / accounts were shown to the audit. MC office was also asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done in this regard as detailed below under intimation to audit.

Voucher no.	Date	Amount (`)	Particulars
BRV -26	31/03/2018	68499.04	As per the entries in cash book the amount of Rs. 68499.04 was credited/shown on payment side in cash book vide BPV 417 dated 31/03/2018 (being rectification of voucher no. 2,92 & 228) and the credit entry of above amount was rectified by debiting the same amount vide BRV no. 26 dated 31/03/2018. Then again the same amount was credited in cash book vide BPV no. 418 dated 31/03/2018 (being rectification of BRV no. 26 dated 31/03/18 referred above) and this credit entry vide BPV 418 was again rectified by debiting the same amount vide BRV 29 dated 31/03/2018. Thereafter the entry of `68499.04 was debited third time vide BRV 30 dated

			31/03/2018 in cash book (being rectification of BRV no. 417 dated 31/03/2018) but the need/reasons of entry of Rs. 68499.04 vide BRV no.30 dated 31/03/2018 third time was not explained which may be justified now. Besides explaining the reasons of first rectification in this regard vide BPV 417 (being rectification of voucher no. 2, 92 & 228) dated 31/03/2018 alongwith the facts and related record.
BRV-31	31/03/2018	203006	The cash book was depicting excess closing balance by `304509/- on dated 16/10/2017 (Page no. 31) i.e. balance was depicted `(-) 182455679 instead of Rs (-)182760188, due to wrong calculation of closing balance. The above wrong balance was carry forwarded and the necessary correction in this regard was made vide BRV no. 27 dated 31/03/2018 by reducing the closing balance by `304509/- . Thereafter vide BRV no. 31 dated 31/03/2018 the cash book was debited with Rs. 203006/- (being rectification of BPV 318 dated 16/10/2017 and BRV 27 dated 31/03/2018), but the reasons of this rectification were not explained which may be explained.
	Total	`271505.04	

(f) Not incorporating the interest received on fixed deposit in cash book amounting to `0.24 lac :-

As per bank reconciliation statement (BRS) the interest received amounting to `24900/- on fixed deposits was neither entered in cash book till 31/03/2018 nor the detail of fixed deposit on which this interest was earned was found mentioned in BRS. MC office was also asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022, but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

4.2 (iv) Not incorporating the reverse entries in respect of time barred cheques amounting to `1.16 lacs (1163298 + 576)

During the audit it was observed that more than three months have elapsed in respect of following cheques /payments issued through RTGS amounting to `1163874/- till 31/03/2018 and these cheques have become time barred, but the required reverse entries have not been done in cash book till 31/03/2018. The reason for not doing so was also not clarified to audit despite several reminders. MC office was asked to justify /clarify about it vide audit memo no.31 dated 20/04/2022 and 47 dated 15/06/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

(i)

S.No.	Name of bank	Account No.	Head	Cheque no./ RTGS	Date	Amount (`)
1.	Indian bank	6373872292	450-61-08	RTGS	5/9/17	6868
2.	PNB	33830001000 64284	450-61-02	468090	11/05/216	243
3.	SBI	30577614909	450-61-06	RTGS	11/5/16	82049
4.	SBI	35023547118	450-61-11	-----	5/4/16	880

5.	HPSCB	2527	450-23-01	947726	09/2015	11027
6.				947727		717
7.				947729		168
8.				947728		1146
9.				947730		33627
10.				947731		6236
11.				947732		127436
12.				947733		2612
13.				947734		450120
14.				947735		10470
15.				51751	3.5.2016	120
16.				51773	9.5.2016	1000
17.				51774	9.5.2016	1000
18.				51775	9.5.2016	500
19.				51800	16.5.2016	22363
20.				51925	3.6.2016	120
21.				51931	3.6.2016	150
22.				51948	14.6.2016	500
23.				51949	14.6.2016	1000
24.				51958	15.6.2016	1000
25.				51959	15.6.2016	8000
26.				51964	17.6.2016	1000
27.				51983	21.6.2016	466
28.				51989	22.6.2016	1000
29.				51990	22.6.2016	1000
30.				51992	22.6.2016	1000
31.				52000	22.6.2016	1000
32.				570901	22.6.2016	1000
33.				570999	11.7.2016	120

34.				571078	21.7.2016	1000
35.				571092	22.7.2016	3820
36.				571109	1.8.2016	1000
37.				571110	1.8.2016	1000
38.				571113	1.8.2016	1000
39.				571169	2.8.2016	33600
40.				571160	2.8.2016	120
41.				571162	2.8.2016	30
42.				571214	20.8.2016	1000
43.				571215	20.8.2016	1000
44.				571218	20.8.2016	750
45.				571327	3.9.2016	30
46.				571343	6.9.2016	1000
47.				993009	22.9.2016	695
48.				993018	24.9.2016	124542
49.				993024	24.9.2016	6000
50.				993030	24.9.2016	25808
51.				993038	26.9.2016	2981
52.				993041	27.9.2016	1363
53.				RTGS	26.9.2016	334
54.				993095	6.10.16	30
55.				993135	20.10.16	3353
56.				993212	2.11.2016	30
57.				993413	7.12.2016	750
58.				39459	24.1.2017	44557
59.				39500	2.2.2017	60
60.				39526	14.2.17	29006
61.				39536	2.2.17	560
62.				39545	15.2.2017	530

63.				39682	3.3.2017	6000
64.				39610	3.3.2017	120
65.				39704	21.3.2017	1956
66.				OO9639	29.05.17	13697
67.				OO9852	05.07.17	300
68.				RTGS	20.07.17	361
69.				977069	03.08.17	60
70.				977084	03.08.17	30
71.				977111	08.08.17	10000
72.				RTGS	14.08.17	100
73.				977128	16.08.17	6000
74.				977194	26.08.17	140
75.				977234	05.09.17	60
76.				977260	07.09.17	30
77.				977267	07.09.17	10000
78.				977294	15.09.17	48192
79.				976522	01.11.17	60
80.				976532	01.11.17	150
81.				976533	01.11.17	30
82.				976559	13.11.17	348
83.				976571	15.11.17	1184
84.				976718	14.12.17	734
85.				976732	18.12.17	1859
Total						`1163298

(ii)

Head	Code	Bank / account no.	Cheque no.	Date	Head	Amount (₹)
Rajiv awasyojna/ project cell	450-62-06	HDFC / 05241450000378	00046	9/12/14	Labour cess	207/-

Challenge fund / project cell	450-62-10	HDFC/ 50100046023069	000128	1/12/17	Labour cess	369/-
					Total	`576/-

4.2 (v) Not incorporating the reverse entries in respect of time barred cheques amounting to `11.54 lacs.

It was observed that cheques of `1154740/- were presented for collection as per the detail given below which had become time barred as three months had elapsed from the date of issue, but neither the required reverse entries were done in the cash book till 31/03/2018 nor the audit was apprised with the amount recovered in this regard from the concerned individuals / firms / institutions till 31/03/2018, despite several reminders. MC office was asked to justify /clarify about it vide audit memo no. 47 dated 15/06/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences in bank reconciliation statement under intimation to audit.

S.No.	Name of bank	Account No.	Head	Cheque no./ RTGS	Date	Amount (`)
1.	HPSCB	2527	450-23-01	666144	05.03.2011	2500
2.				4751118	19.12.2011	5473
3.				350419	22.03.2012	9600
4.				141238	30.12.2013	12007
5.				935262	30.12.2013	570
6.				265054	29.08.2014	11500
7.				537468	02.07.2015	3400
8.				291810	15.07.2015	3600
9.				411300	22.07.2015	2000
10.				10307587	27.07.2015	6995
11.				63755	08.09.2015	10
12.				26791	08.09.2015	10

13.				27399	08.09.2015	10
14.				28993	08.09.2015	10
15.				350048	08.09.2015	6849
16.				184157	08.09.2015	13760
17.				1106	08.09.2015	51152
18.				64807	08.09.2015	1100
19.				4617	08.09.2015	825
20.				1815120	13.09.2015	5600
21.				49017	03.10.2015	7000
22.				491099	06.10.2015	13490
23.				520634	20.10.2015	32909
24.					23.10.2015	9473
25.				260050	23.10.2015	1500
26.				115354	21.10.2015	3825
27.				95744	23.10.2015	1500
28.				35645	23.10.2015	1500
29.				753237	23.10.2015	2325
30.				109151	23.10.2015	4000
31.				729469	21.10.2015	1500
32.				438766	22.10.2015	4152
33.				294279	22.10.2015	2325
34.						500
35.				503811	03.11.2015	7500
36.					30.01.2016	43970
37.				641945	10.02.2016	2963
38.				2282	16.02.2016	40500
39.				258400	18.02.2016	2400
40.				440281	18.02.2016	2000
41.				320189	27.02.2016	350

42.				320190	27.02.2016	350
43.				320191	27.02.2016	350
44.				320187	27.02.2016	350
45.				491450	19.04.2016	16516
46.				478436	19.04.2016	10
47.				174845	19.04.2016	3683
48.				81128	19.04.2016	1125
49.				42820	18.04.2016	975
50.				246466	19.04.2016	7200
51.				703233	19.04.2016	19200
52.				15589	19.04.2016	839
53.				238508	29.03.2016	129
54.				238390	29.03.2016	3050
55.				312449	19.04.2016	10
56.				312450	19.04.2016	10
57.				846959	19.04.2016	10
58.				846960	19.04.2016	10
59.				269671	19.04.2016	10
60.				474100	19.04.2016	10
61.				267477	19.04.2016	10
62.				231645	19.04.2016	10
63.				473580	19.04.2016	10
64.				477641	19.04.2016	10
65.				477640	19.04.2016	10
66.				267540	19.04.2016	10
67.				477622	19.04.2016	10
68.				477662	19.04.2016	10
69.				122144	19.04.2016	25192
70.				122145	19.04.2016	19192

71.				328282	03.03.2016	3296
72.				25570	29.07.2016	1586
73.					16.08.2016	189
74.				136004	24.09.2016	5788
75.				905060	24.09.2016	2904
76.				581903	23.09.2016	29363
77.				574542	23.09.2016	2904
78.				964873	24.09.2016	10049
79.				2697	18.10.2016	116640
80.				2679	18.10.2016	48600
81.				2696	18.10.2016	136080
82.				650327	19.11.2016	2148
83.				188785	18.11.2016	3710
84.				954170	19.11.2016	4296
85.				760975	17.11.2016	2148
86.				528963	18.11.2016	2148
87.				992682	22.11.2016	2148
88.				975968	22.11.2016	2148
89.				149327	21.11.2016	2148
90.				127078	22.11.2016	2148
91.				738760	22.11.2016	2148
92.				683855	22.11.2016	2148
93.				506203	22.11.2016	1815
94.				990583	22.11.2016	5924
95.				11531	22.11.2016	3484
96.					20.01.2017	11525
97.				2148	21.02.2017	3243
98.				808979	14.02.2017	100
99.				808980	14.02.2017	100

100.				176639	14.02.2017	50
101				IPO	22.02.2017	50
102				964871	29.03.2017	3200
103				357880	03.08.2017	15451 55+15396)
104				1646222	21.09.2017	6500
105				994005	13.11.2017	24347.00
106				81	12.12.2017	251260
107				126946	29.12.2017	22000
				Total		`1154740

4.3 Not attending the observations relating to cash book (450-23-01) :-

While checking totalling in cash book following irregularities were observed:-

- AO (P31-39)(a) The balance of (-) `17835 (page no. 057) under cash column of cash book as on 31/03/2017 which had neither been carried forwarded as on 01/04/2017 nor the adjustment thereof was shown to audit.
- (b) It was observed that the balance as on 28/12/2016 (page no. 063) under cash column should have been (-) `68524/- instead of (-)`67474/- and a difference of `1050/- was observed.
- (c) During the audit it is observed that there has been the credit / minus balance in cash book (450-23-03) on dates detailed hereunder.

Page no.	Date	Balance
24 to 48	17/8/2017 to 31/03/2017	5284844 (Cr. / minus) as on 17/08/2017, 234958759.96 (Cr. / minus) as on 31/03/2017
10 to 12	17/05/17 to 05/07/2017	8761 (Cr. / minus) as on 17/05/2017, 7981562 (Cr. / minus) as on 05/07/2017
8 to 9	08/05/2017	212445 to 12124120 (Cr. / minus) as on 08/05/2017

MC office was asked to justify /clarify about above observations vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying it the needful may be done to settle the differences as detailed above under intimation to audit.

4.4 Regarding not providing the record / information:-

During the audit neither the duly verified bank reconciliation statements as on 31/03/2017 and 31/03/2018 along with related record i.e. bank pass book etc. in respect of cash books as depicted below were provided nor the reason of non-verification of entries in these cash books were clarified to the audit despite several reminders. MC office was asked to provide this record vide audit memo no. 47 dated 15/06/2022 but same was not provided till the conclusion of the audit. Therefore, besides justifying it the needful may be done and concerned record may be provided during next audit.

Head	Particular	Balance as per schedule 17 of balance sheet as on 31/3/2017	Balance as per cash book as on 31/3/2017	Difference	Balance as per schedule 17 of balance sheet as on 31/3/ 2018	Balance as per cash book as on 31/3/2018	Difference	Remarks
450-61-04	PLA Distt. Treasury	772780	772780.00	Nil	772780.00	772780	Nil	Entries are not verified in cash book
450-61-10	SBI- (JNNURM -EU)	17300023	17294456.75	5566.25	61157.50	61158.25	0.75	Do

4.5 The following cash book alongwith BRS as on 31/03/2017 and 31/03/2018 was not provided to audit despite several reminders, which is a serious irregularity. MC office was asked to provide this record vide audit memo no. 47 dated 15/06/2022, but same was not provided till the conclusion of the audit. Therefore, besides justifying it the concerned record may be provided during next audit. .

Code	Detail	Balance as per Shedule-17 as on 31/03/2017	Balance as per Shedule-17 as on 31/03/2018
------	--------	--------------------------------------------	--------------------------------------------

4506302	HPSCB-(Water supply & Sewerage Circle)	59289000	1127902
---------	----------------------------------------	----------	---------

4.6 Non recovery of dishonoured cheques amounting to `90.08 lacs.

In statement of dishonoured cheques supplied to audit, it was observed that an amount of `9008285/- of dishonoured cheques stand un-recovered for the audit period 2016-17 & 2017-18 as per the detail given below. MC office was asked to justify about it vide audit memo no. 47 dated 15/06/2022, but no reply was given till the conclusion of the audit. Hence, the reasons for non-recovery of such huge amount may be justified, besides confirming the latest position in this regard as well as the steps taken by the MC to recover the balance amount of dishonoured cheques to audit with fact and figures. The detail of dishonoured cheques are also mentioned in **Annexure-“C”** of the report.

Year	Total amount of cheques dishonoured as per list supplied (`)	Amount recovered during the year as per list supplied (`)	Amount of dishonoured cheques stand un recovered as per list (`)
2016-17	6121048 (6024152+96896)	1199339 (1060429+39888+ 97590+1432)	4921709
2017-18	6672825 (5660673+1012152)	2586249 (1251436+927943+ 254861+152009)	4086576
Total			`9008285

4.7 Regarding loss of interest in PLA account maintained by Distt. Treasury Shimla.

As per information provided to the audit regarding balance of PLA account was `7,72,780 as on 31.03.2018, which is the same as it was as on 31/03/2016. No interest was credited by the treasury during the audit period 1.4.2016 to 31.03.2018. Therefore, the MC had to suffer financial loss. Hence the reasons for keeping the above amount in PLA account and loss of interest thereon may be justified to audit. This audit observation was brought in notice of MC vide audit memo no. 47 dated 15/06/2022 for necessary clarification / action in this regard, but neither any reply was given nor any action was taken till the conclusion of the audit. Besides justifying it the needful as per rules may be done to save the MC exchequer from further financial loss.

5. Balance sheet :-

The Para 27.4 of Accounts **Manual of Municipal Corporation Shimla** provides that the annual report of Municipal Corporation Shimla includes financial statements consisting of:-

- I. Balance Sheet
- II. Income & Expenditure Statement
- III. Statement of Cash Flow.
- IV. Receipt & Payment Account
- V. Notes to Accounts.
- VI. Financial Performance indicators.

During the course of audit of the accounts of Municipal Corporation Shimla for the year 2016-17& 2017-18, only the financial statements, i.e., Balance Sheets, Income & Expenditure Statements and Notes to Accounts were produced before the audit. But the Statements Cash Flow, Receipt & Payment Accounts & Financial Performance Indicators for the year 2016-17 & 2017-18 were not supplied to audit despite seeking the same vide audit letter / memo no. 93 dated 23/12/2021 and 30 dated 10/05/2022. Besides the hard copy of head wise ledger accounts for the year 2016-17& 2017-18 were also not supplied to audit. Further from the perusal and test audit of balance sheet the following irregularities were observed :-

5.1 Depiction of wrong balances in balance sheet :-

(i) During the audit it was observed that cash books balance depicted in balance sheet were not matching with the balances worked out in cash books as detailed below. The MC office was asked to clarify / justify about it vide audit memo no. 47 dated 15/06/2022, but no reply was received till the conclusion of the audit. Therefore, besides justifying it the required corrective measures may be taken in this regard under intimation to audit.

Year-2016-17				
Municipal Fund				
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2017	Balance as per cash book as on 31/03/2017	Difference
4502303	HPSCB - SHIMLA	34990729	34990752	23
Special Fund				
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2017	Balance as per cash book as on 31/03/2017	Difference
4504103	Special fund - SBI (P&G fund)	1648217	1650188	1971
Grant Fund				
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2017	Balance as per cash book as on 31/03/2017	Difference
4506201	J&K Bank (JNNURM)	5974490	5976411.54	1921.54
4506204	J&K Bank (ASHIANA)	11683369.5	11805850.5	122481
4506212	Himachal gramin bank (Ashiyana-JNNURM)	7564641	7564685	44
Year-2017-18				
Grant Fund				
Code no.	Detail	Balance as per shedule B-17 as on 31/03/2018	Balance as per cas book as on 31/03/2017	Difference
4506201	J&K Bank (JNNURM)	5872785	5874706.54	1921.54
4506206	HDFC(JNNURM-RAY)	1930384.79	1930395.31	10.52

(ii) A difference of a rupee and less than a rupee was also observed between some balances depicted in final accounts and balances as per books. The instances i.e. difference of less than a rupee in actual balances as per cash books and depicted in balance sheet are given below. As per prevalent accounting practices final accounts are expected to reflect correct and exact figures. MC office was asked to justify on this account vide audit memo no. 47 dated 15/06/2022, but no reply was received till the conclusion of the audit. Therefore, besides justifying it the depiction of correct and exact figures may be ensured in future.

Year-2016-17			
Municipal Fund			
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2017	Balance as per cash book as on 31/03/2017
4502101	nationlised bank - SBI	26698043.28	26698043.86
4502104	mc fund (property tax)	8342988.55	8342988.61
4502105	mc fund (WWH)	1408064	1408064.5
4502201	other sheduled banks - HDFC	10415646.73	10415646.15
4502301	HPSCB (Main)	61581681.31	61581681.28
Special Fund			
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2017	Balance as per cash book as on 31/03/2017
4504102	PNB - main	4224827.32	4224827.24
4504301	HPSCB-GP Fund	9925373	9925372.68
Grant Fund			
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2017	Balance as per cash book as on 31/03/2017
4506102	PNB -(Near lift)	5076507.07	5076507.54
4506105	Indian Bank (JNNURM)	302928	302928.5
4506109	CBI (Zero wate project)	656055	656054.71

4506202	ICICI Bank (JNNURM)	1355524	1355524.22
4506206	HDFC(JNNURM- RAY)	2228898	2228898.52
4506207	Indusland bank(JNNURM-E- GOV.)	29912540.09	29912539.9
4506211	Indusland bank(JNNURM- Sanitary Landfill Site)	3744725.32	3744725.6
4506301	HPSCB-JNNURM	867968	867967.8

Year-2017-18			
Municipal Fund			
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2018	Balance as per cash book as on 31/03/2017
4502104	MC fund (property tax)	934717.05	934717.11
4502201	MC fund (HDFC)	40697063.14	40697062.56
Special Fund			
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2018	Balance as per cash book as on 31/03/2017
4504102	PNB - main	7071795.8	7071795.72
4504301	HPSCB-GP Fund	7302665.44	7302665.14
Grant Fund			
Code no.	Detail	Balance as per schedule B-17 as on 31/03/2018	Balance as per cash book as on 31/03/2017
4506102	PNB -(Near lift)	4440515.42	4440515.89
4506105	Indian Bank(JNNURM)	336861	336861.5

4506109	CBI (Zero wate project)	683898	683897.71
4506202	ICICI Bank (JNNURM)	1398351	1398351.22
4506207	Indusland bank(JNNURM-E- GOV.)	28995247.09	28995246.94
4506211	Indusland bank(JNNURM- SanitryLandlift Site)	3937590.32	3937590.6
4506301	HPSCB-JNNURM	899570	899569.8

5.2 Difference in balances between Earmarked Funds i.e. Pension Fund, General Provident Fund and Contributory Pension Scheme as depicted in the Balance Sheet and as per books of accounts as on 31.3.2017 & 31.3.2018 :-

As per established accounting practice, the Balance Sheet should depict the true & correct position of state of affairs of the organisation. However, there was observed a difference between the balances depicted in Balance Sheet and in books of accounts of Earmarked Funds i.e. Pension Fund, General Provident Fund, Contributory Pension Scheme as on 31.3.2017 & 31.3.2018. The MC office was asked to clarify and justify about it vide audit memo no. 69 dated 16/07/2022 but no reply was given till the conclusion of the audit. Therefore, besides justifying it the required corrective measures may be taken in this regard under intimation to audit. .

Name of Fund	Closing Balance as per Cash Book as on 31.3.17 (₹)	FDR Closing Balance as per FDR Register as on 31.3.17 (₹)	Total (₹)	Closing Balance as per Schedule-B2 of Balance Sheet (₹)	Difference (₹)
1	2	3	4	5	6
			(2 + 3)		(4 – 5)
Pension Fund	1650188	0	1650188	-13621401	15271589
GPF	9925372.68	235000000	244925372.68	238498005	6427367.68
CPS	4224827.24	70150070	74374897.24	83310213	-8935315.76

TOTAL	15800387.92	305150070	320950457.92	308186817	12763641.92
--------------	--------------------	------------------	---------------------	------------------	--------------------

Name of Fund	Closing Balance as per Cash Book as on 31.3.18 (₹)	FDR Closing Balance as per FDR Register as on 31.3.18 (₹)	Total (₹)	Closing Balance as per Schedule-B2 of Balance Sheet (₹)	Difference (₹)
1	2	3	4	5	6
			(2 + 3)		(4 – 5)
Pension Fund	9938729.25	0	9938729.25	11856487.00	-1917757.75
GPF	7302665.14	263126928	270429593.14	269929793.15	499799.99
CPS	7071795.72	47362986	54434781.72	60286610.00	-5851828.28
TOTAL	24313190.11	310489914	334803104.11	342072890.15	-7269786.04

5.3 Carry forwarding wrong balances :-

During the audit of balance sheet, it was observed that an amount of `10679 was less carried forwarded from balance sheet of 2015-16 as detailed in **annexure “D-1”**. The MC office was asked to clarify and justify about it vide audit memo no. 69 dated 16/07/2022, but no reply was given till the conclusion of the audit. Therefore, besides justifying it the reasons of carry forwarding the wrong balances may be clarified followed with required action in this regard under intimation to audit.

5.4 Difference in the figures carried forward from ledger to trial balance :-

During the audit it was observed that there had been the difference in carried forwarded figures from computerized ledger to trial balances of 2016-17 & 2017-18 under the heads detailed in **annexure “D-2”**. The MC office was asked to clarify and justify about it vide audit memo no. 69 dated 16/07/2022 but no reply was received/given till the conclusion of the audit. Therefore, besides justifying it the reasons of carry forwarding the wrong balances may be clarified followed with required action in this regard under intimation to audit.

5.5 Amount of `118.95 lacs received for Deposit Works lying unutilized.

Balance Sheet Schedule B-8: Deposit Works' for the year 2017-18 shows net liability of `1,18,95,157 on account of un-spent balance of amount received from different agencies for deposit works as on 31.03.2018. But it has been observed that no amount has been spent/utilized against different deposit works during the audit period 01.04.16 to 31.03.2018 as is evident from Balance Sheet schedules B-8 for the year 2016-17 & 2017-18. The MC office was asked to clarify and justify about it vide audit memo no. 69 dated 16/07/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the required action may be taken in this regard as per norms / terms under intimation to audit.

5.6 Regarding depicting the wrong total :-

During the audit it was observed that as per balance sheet 2016-17, the internal total under head "Total current Assets, Loans & advances comes out 558987963 instead of 857203189. The MC office was asked to justify about it vide audit memo no. 69 dated 16/07/2022, but no reply was given till the conclusion of the audit. Hence, it may be justified besides taking corrective measure in this regard under intimation to audit.

5.7 Regarding amount of `0.41 lac depicted under suspense account :-

It was observed that in balance sheet 2016-17 and 2017-18 (schedule B-19) an amount of `41801 was depicted under the head the suspense account. The MC office was asked in this regard that whether the amount depicted under suspense account had been allocated under the correct head of account or not in further balance sheets of MC vide audit memo no. 69 dated 16/07/2022. But no reply was received till the conclusion of the audit. Hence, besides justifying it the required correction in this regard may be done under intimation to audit.

5.8 Regarding liability of `217.48 lacs due to Creditors-Suppliers :-

It is observed from the schedule- "B-9" of the Balance Sheet that an amount of `2,17,47,39,965 has been shown payable to Creditor-Suppliers as on 31/03/2018. The MC authorities were asked about steps taken/efforts made to discharge this liability vide audit memo no. 69 dated 16/07/2022, but no reply was given till the conclusion of the audit.

Hence, needful action may be taken in this regard to prevent further surcharges/penalty on the payable amount.

5.9 Huge Difference of `9.70 lacs (net) in the figures of receipt / income reported by concerned Branches and those indicated in Income & Expenditure Account.

TAX & ESTATE

(i) It was found during the course of scrutiny of final accounts that there was huge net difference of (-) `79,32,133/- in the figures of receipt as reported to audit by the concerned Branches and those indicated in the Income & Expenditure Account for audit period as per detail given hereunder:

Head of Income	Year	Receipt as indicated in the Income & Expenditure A/c	Receipt as per information supplied by the concerned Department	Difference	Information supplied vide letter No.
		()	()	()	
Mobile Towers	2016-17	1687000	2026750	(-)339750	MCS/AST/LAD Audit/04/2016-03/2018/2022-143 dated 06.04.2022 (Annexure- D-4)
	2017-18	222920	460800	(-)237880	
Parking	2016-17	9603149	8447882	1155267	MCS/SE-(LAD- Audit Memo-544-06 dated 3.6.2022 (Annexure-D-3)
	2017-18	5065948	4673145	392803	
Net difference				`9,70,440	

5.10 Three different figures reported to Audit on account of Property Tax

TAX

(ii) In the case of the Property Tax three different figures have come to the notice of audit and in such a scenario Financial Statements of Corporations also do not show the true & fair view of its state of affairs and reasons for huge difference in all the figures may be explained to audit with facts and figures:

Year	Income accrued during the year as per Income & Expenditure Account	Demand as per Property Tax Software Annexure-D-5	Demand as reported to audit by the concerned Department Annexure-D-5 MCS/AST/2022-117 dated 25.03.2022
2016-17	157147800	188844101	173917449
2017-18	120559432	199266653	120559432

The Corporation was asked to explain the above lapses vide Audit Memo No. 64 dated 13.07.2022, but no reply was received till the date of conclusion of audit. Hence, the reasons for the differences may be explained to audit with facts & figures while it also reveals that no reconciliation is being done between Accounts Branch and the concerned Branches. In such a scenario Financial Statements of Corporations also do not show the true & fair view of its state of affairs.

5.11 Non-depiction of amount due from Mobile Tower Companies under Sundry Debtors in the Balance Sheet:

TAX

As per the information supplied by the Tax Branch of Municipal Corporation vide letter No. MCS/AST/LAD Audit/04/2016- 03/2018/2022-143 dated 06.04.2022 - **(Annexure-D-4)** an amount of `12,71,492/-only as per year-wise detail given hereunder was shown outstanding on account of installation fee/ annual renewal fee of mobile towers but the same has not been included in the balance sheets for the year 2016-17 & 2017-18 under head Current Assets as Sundry Debtors :

Year	Outstanding Balance as on 31 st March(Rs.)
2016-17	314125
2017-18	957367
Total	`1271492

The Corporation was asked to do the necessary corrections or justify this vide **Audit Memo No.64** dated **13.07.2022**, but no reply/justification was submitted till conclusion of audit. Hence, the reasons for not showing above outstanding amount in the Balance Sheets may be intimated to audit with facts & figures. While it was also advised that necessary rectification in Accounts may be made by the Municipal authorities besides ensuring not to repeat such errors in future so that the Financial Statements of Corporation shows the true & fair view of its state of affairs.

5.12 Amount of `2189.74 lacs only over-depicted in Balance Sheet ‘Fixed Assets Schedule’ as compared to Fixed Assets created from Grants-in-aid expenditure :

It has been observed during audit that the figure depicted in “**Balance Sheet Schedule B-11: Fixed Assets**” amounting to **`21,89,74,975** is over-depicted as compared to **Capital Expenditure Incurred On Fixed Assets** as per schedule “**Balance Sheet Schedule B-4: Grants & Contribution for specific purposes**” during the year 2016-17 & 2017-18 as per the detail given below. The Corporation was asked to justify the irregularity vide **Audit Memo No.67** dated **14.07.2022**, but no reply/justification was submitted by them till conclusion of audit. Hence, the excess depiction of fixed assets created out of grants-in-aid to Balance Sheet Fixed Assets Schedule B-11 as on 31.03.2017 & 31.03.2018 may be justified and be corrected after proper scrutiny so that the balance sheet of the Corporation reflects true & fair view of its state of affairs:-

Year	Balance Sheet Schedule B-11: Fixed Assets (Additions of fixed assets during the year) ()	Capital expenditure incurred on fixed assets from grants-in-aid as per Balance Sheet Schedule B-4: Grants & Contribution for specific purposes ()	Difference ()
2016-17	20,30,27,826	6,74,52,651	13,55,75,175
2017-18	56,73,03,515	48,39,03,715	8,33,99,800
Total			`21,89,74,975

5.13 Non-production of sanction of competent authority regarding remission of `1.40 lacs on account of Show Tax.

It has been found during test check of adjustment vouchers posted as on 31.03.2017 that vide **Journal Voucher No. 1587 dated 31.03.2017** an entry of `1,39,750 has been passed debiting Head of Account 280-50-01 (Prior Period Expenses) and crediting 431-19-03 -Sundry Debtors (Receivables) –Property Taxes, on account of remission allowed on prior period Show Tax thereby reducing the Sundry Debtors to the above extent. The detail in respect of the above alongwith sanction of the competent authority was asked vide Audit Memo No. 74 dated 21.07.2022 but no response was received till the date of conclusion of audit and hence, the same be shown during next audit.

6. Fixed Deposit:-

6.1 The Municipal Corporation, Shimla had a balance of `1273295937.48 & `809396718.77 in FDRs as on 31.03.2017 and 31.03.18 respectively (**Annexure “E”**), the detail of which is as follows:-

AO & PD

Name of Fund	Amount invested as on 31.03.2017 (`)	Amount invested as on 31.03.2018 (`)	Remarks
MC Fund	372151924	299768687	Annexure “E”
GP Fund	235000000	263126928	Annexure “E ”
CPS Fund	70150070	47362986	Annexure “E ”
Grant Funds (YC Amount)	396264580 (367075985+29188595)	11522996.31	Annexure “ E”
JNNURM Grant Funds	199729363.48	187615121.46	Annexure “E ”
Total	1273295937.48	809396718.77	

6.2 Loss of revenue to the tune of `3.20 lacs due to grant of less interest by the banks on maturity of FDR’s :-

During the audit of interest received on maturity of FDRs during the period 01.04.16 to 31.03.18 it was observed that interest of `320986/- was short realized on the maturity of FDR’s depicted below, due to which the corporation had to suffer financial loss.MC office

AO & PD

was asked to get it clarified from concerned banks vide audit memo no. 30 and 31 dated 20/04/2022, in response to which the assurance of getting the needful done in this matter was given by MC office. Hence short credit of interest may be got justified from concerned banks failing which above amount may be got credited in MC exchequer under intimation to audit.

Grant fund :-										
FDR No.	Name of Bank	FDR register page No	Date of investment	Invested Amount	Rate Of interest	Period	Date of Maturity	Maturity given by bank (A)	Actual maturity amount which should have been given (B)	Interest less given (B-A)
10500443 201/117	Shimla urban co-operative bank	31	28/4/16	6510860	8%	1 Year	28/4/17	7031729	7047564	15835
10500443 201/120	do	32	28/4/16	6510860	8%	1 Year	28/4/17	7031729	7047564	15835
10500443 201 / 121	do	33	28/4/16	6510860	8%	1 Year	28/4/17	7031729	7047564	15835
10500443 201 / 122	do	34	28/4/16	6510860	8%	1 Year	28/4/17	7031729	7047564	15835
									Total	63340—(A)
CPS Fund :-										
45481	PNB, Shimla	54	08/02/17	9000000	7%	1 year	08/02/18	9606445 (9597780+6736+1929)	9646731	40286
1644285	HPSCB	46	29/07/16	3925428	7.5%	1 year	29/07/17	4220440	4228219	7779
1652380	HPSCB	53	09/02/18	9646731	6.6%	364 days	08/02/19	10289559 [10281671+7888(extra interest given by the bank upto 15/02/19)]	10297500	7941
1652382	HPSCB	53	12/02/18	9650431	6.6%	364 days	11/02/19	10290121[10285614+4507(extra interest given by the bank upto 15/02/19)]	10301450	11329
									Total	67335—(B)
Municipal Fund										

1638940	HPSCB	I/149	28/8/15	10316848	8.3%	12 M	28/8/16	11174906	11200169	25263
1644682	HPSCB	149/1	28/8/16	11174906	7.5%	12 M	28/8 /17	12014746	12036892	22146
1644681	HPSCB	149/1	28/8/16	11174906	7.5%	12 M	28/8/17	12014746	12036892	22146
1644680	HPSCB	150/1	28/8/16	11174906	7.5%	12 M	28/8/17	12014746	12036892	22146
1647074	HPSCB	II/15	18/2/17	11165079	6.9%	1 Year	18/2/18	11957894	11955634	2260
1647075	HPSCB	II/15	18/2/17	11165079	6.9%	1 Year	18/2/18	11957894	11955634	2260
1647076	HPSCB	II/15	18/2/17	11165079	6.9%	1 Year	18/2/18	11957894	11955634	2260
362079	HGB	II/14	20/5/16	10160767	7.42%	245 days	20/1/17	10666829	10676231	9402
362077	HGB	II/14	20/5/16	10160767	7.42%	245 days	20/1/17	10666829	10676231	9402
362078	HGB	II/14	20/5/16	10160767	7.42%	245 days	20/1/17	10666829	10676231	9402
362165	HGB	II/15	24/5/16	10584140	7.42%	270 days	18/2/17	11165079	11176887	11808
362166	HGB	II/15	24/5/16	10584140	7.42%	270 days	18/2/17	11165079	11176887	11808
362164	HGB	II/15	24/5/16	10584140	7.42%	270 days	18/2/17	11165079	11176887	11808
487415	HGB	I/152	23/5/16	11414839	7.42%	270 days	17/2/17	12049293	12054108	4815
Total									166926/- (C)	
Grand Total (A+B+C)									297601/- (D)	
Note :- interest has been worked on quarterly compounding basis (Each quarter 91 days).										

Project cell :-

FDR No. / Head / FDR Page No.	Name of Bank	Date of invest- ment	Invested Amount	Rate	Period	Date of Maturity	Maturity given (A)	Maturity amount which should have been given (B)	Interest less given (B-A)
30071713 3276/RA Y/47	Indus land bank	3/11/16	37518796.53	7%	91 days	2/2/17	38150191.62	38173575.47	23384/- (E)
Total= (D+E)									320986/-

6.3 Huge difference of `22.16 lacs between figures of FDRs as shown in the statements supplied to audit and Schedule-B 13 (FDRs) appended to the Balance Sheets as on 31.03.2016.

AO

On perusal of the record put up to Audit, it is observed that there was a huge difference of `**2216539/-** in the figures taken in Balance Sheet Schedule B-12 & 13 regarding balance of investments (FDRs General & Other Funds) as on 31.3.2018 as compared with the detailed lists of these investments (FDRs) supplied to audit

(Annexure “E”). Detail regarding it is depicted below in table. The Corporation was asked to justify reasons for such huge difference in above financial statements vide audit memo no. 47 dated 15/06/2022, but no reply/justification was submitted till conclusion of audit. Therefore non-compliance of audit requisition may be explained and the difference may also be reconciled and corrected in the books of accounts under intimation to audit so that the Balance Sheet of the Corporation may reflect true & fair view of its state of affairs.

Code of account	Particulars	Investment as per schedule- 13 as on 31/03/2018	Investment as per information provided	Difference
4218001	CPS fund Investment	45146457	47362986	2216529
4218001	Grant fund investment	199138108	199138118	10
			Total	`2216539

6.4 Non production of information / record depicting actual date of maturity of fixed deposit :-

AO

Despite several reminders the exact / actual date on which the following fixed deposit got premature was not intimated due to which the correctness of interest received on fixed deposit could not be verified, besides the accountal of `2226731/- was also not shown in the concerned record / cash book. The MC office was asked to show the related record about it vide audit memo no. 31 dated 20/04/2022 but no reply was submitted till conclusion of audit. Therefore, besides justifying it the concerned record/information may be provided during next audit for necessary verification.

Investment register (CPS) page no.	FDR No.	Amount invested / rate of interest	Date of investment	Date of maturity	Amount of maturity	Actual amount maturity amount received with interest
39	1644629	2216529 / 6.90%	23/08/17	23/08/18	2373473	2226731 (2216529+10202)

6.5 Depicting wrong fixed deposits invested in statement provided to audit :-

AO

In statement exhibiting amount lying invested in fixed deposit as on 31/03/2018 relating to project cell of MC it was observed that the fixed deposits which had been prematured before 31/03/2018 were shown invested as on 31/03/2018 as detailed in table below. The MC office was asked about it vide audit memo no. 30 dated 20/04/2022 but no

reply/justification was submitted till conclusion of audit. Hence besides justifying it the needful may be done in this regard under intimation to audit.

		Fixed deposits wrongly shown invested as on 31/03/2018 in statement.				Fixed deposits which should have been shown invested as on 31/03/2018 in statement.			
Head	S. No.	FDR No. / Name of Bank / FDR register page no.	Date of Investment / Date of pre maturity / rate of interest	Amount (₹)	Maturity amount as per statement	FDR No. / Bank / FDR register page no	Date of Investment / Date of maturity / rate of interest	Amount (₹)	Maturity amount which should have been shown
Rajiv awas Yojna	1	TDR165224 7/HPSCB/ 71	2-2-18 / 6-3-18 / 6.5%	5106431.75	5124899	TDR165225 3/HPSCB /73	2-2-18 / 6-3-19 / 6.5%	5106431.75	5446528.00
Do	2	TDR165224 8/HPSCB/ 72	2-2-18 / 6-3-18 / 6.5%	5106431.75	5124899	TDR165225 4/HPSCB /73	2-2-18 / 6-3-19 / 6.5%	5106431.75	5446528.00

7 Non adjustment of outstanding advances `2309.06 lacs as on 31.3.2018

During the audit it was observed that as per Balance Sheet Schedule B-18: Other Current Assets for the F.Y. 2017-18, advances amounting to `230906263 lakh were lying unadjusted as on 31.03.2018. From the perusal of the outstanding advances, it was revealed that no serious efforts have been made by the M C Shimla to get these advances adjusted, which is a serious lapse. The MC office was asked to justify about such huge amount lying unadjusted vide audit memo no. 69 dated 16/07/2022, but no reply was received till the conclusion of the audit. Hence, besides justifying it required steps may be taken up for earliest adjustment of these unadjusted advances under intimation to audit.

Sr. No	Particulars	Amount of outstanding advance as on 31.03.18 (₹)
1	Loans and advances to employees- Festival Advance	3663771
2	Loans and advances to employees- Warm Clothing advance	4442
3	Loans and advances to employees-Medical Advance	253714
4	Advance to Suppliers and Contractors-Public	19897421

	Works	
5	Advance to Suppliers and Contractors-Stores	8920019
6	Advance to others-Permanent Advances	49404
7	Advance to Others-Advance against Projects	11447232
8	Advance to Others-Advance against Scheme	957891
9	Advance to others -Temporary Advance to HODs	156485087
10	Advance to others-Deposit with External agencies (Electricity)	12616436
11	Advance to others-Deposit with External agencies(Telephones)	12621
12	Deposit with External Agencies-Water	4388827
13	Deposit with External Agencies-Petrol Pumps	2200
14	Deposits with External Agencies- Others	12207198
Total		230906263

8 Non recovery of outstanding amount of `3308.23 lacs on account of various taxes/charges from various debtors.

As per Balance Sheet Schedule B-15: Sundry Debtors (Receivables), the arrear of `330822943 as on 31.3.2018 was lying outstanding for recovery on account of various taxes/charges as detail given below in table which is a matter of serious concern. The MC office was asked to clarify and justify about it vide audit memo no. 69 dated 16/07/2022 but no reply was received till the conclusion of the audit. Therefore, besides justifying it the earliest recovery of this outstanding amount may be ensured under intimation to audit.

Sr. No	Particulars	Amount outstanding as on 31.03.18 ([₹])
1	Property Taxes	53514963.00
2	Show Tax	717130.00
3	License Fee	270902.00

TAX
ESTATE
SJPNL
AO

4	Water Charges	159154405.76
5	Rent	58919470.50
6	Interest accrued & due	55096987.76
7	Interest due from employees	526602.00
8	Hospital dues	2622482.00
	Total	`330822943

9 Non-collection of tax revenue :-

Balance Sheet Schedule I-1: Tax revenue' for the year 2016-17 & 2017-18 shows nil collection on account of water tax, sewerage tax, vehicle tax and tax on animal. The MC office was asked to justify about the same vide audit memo no. 69 dated 16/07/2022, but no reply was received till the conclusion of the audit. Hence, besides justifying it the reasons of non collection of above taxes may be clarified, failing which the non collection of the same may be got regularised with the sanction of competent authority under intimation to audit and ensuring the regular collection of same in future.

10 Comparative View of Financial Position (Income & Expenditure) for the year 2016-17 & 2017-18:-

Income (₹ in Lac)

Sr.No	Particulars	2016-17 (₹)	2017-18 (₹)	% Increase/ Decrease
1	Tax Revenue	1574.36	1208.47	-23.24
2	Assigned Revenue and compensation.	2735.20	2791.27	2.05
3	Rental Income from Municipal Properties.	335.33	494.19	47.37
4	Fee & User Charges.	3624.70	3147.15	-13.17
5	Sale & Hire Charges	18.79	12.38	-34.11
6	Revenue Grants, Contribution & Subsidies	1930.91	1436.53	-25.60
7	Other Income	104.51	25.44	-75.66
	Total	10323.8	9115.43	-117.05

Expenditure

(₹ in Lac)

Sr. No	Particulars	2016-17 (₹)	2017-18 (₹)	% Increase/ Decrease
1	Establishment Expenses	4777.62	5620.94	17.65
2	Administrative Expenses	383.62	330.31	-13.90
3	Operation & Maintenance Expenses	8367.29	4097.36	-51.03
4	Interest & Finance Expenses	98.06	53.96	-44.97
5	Programme Expenses	1.19	2.72	128.57
6	Revenue Grants, Contribution & Subsidies	5.40	4.42	-18.15
7	Depreciation	1529.85	1733.55	13.32
8	Total	15163.03	11843.26	21.89
9	Surplus/Deficit	-4412.18	-2404.12	-45.51
10	Prior period Items	-1788.94	-1.12	-99.94
11	Net Surplus/Deficit	-6201.12	-2405.24	-61.21

From the above comparative position, it is clear that huge deficit has been found in the state of affairs of the Corporation during the year 2016-17 and the position in this regard improved in the succeeding financial year 2017-18 and deficit had come down and same needs to be maintained in future. The comparative view of figures of income & expenditure of the Corporation reveals that there is increase in the expenditure under the heads establishment expenditure and programme expenditure in the year 2017-18 as compared to previous year's expenditure and there is down fall in the collection of receipt / income under the heads tax revenue, fee and user charges, sale and hire charges and other income. The MC office was asked to justify about increase / decrease in income and expenditure vide audit memo no. 69 dated 16/07/2022 but no reply was received till the conclusion of the audit. Hence, besides justifying the same required corrective measure may be taken in this regard under intimation to audit.

A part from above, the following important measures may also be taken up to improve the financial position of the Corporation:-

(i) Creation of Income generating assets like Shops, Community Centers, Commercial Complex etc. by utilizing the capital grant in aid with in stipulated period.

- (ii) Periodical review of recovery of arrears of Property Tax, Water charges, Property Rent etc. by fixing targets for the same.
- (iii) Exploring the possibilities for charging fee with regard to lighting as per the provisions of Section 85(1) of the HP MC Act 1994 since the corporation is incurring heavy expenditure on the payment of street light bill.
- (iv) Exploring the possibility for charging fee with regard to scavenging.
- (v) Exploring the possibilities for outsourcing of non core activities.
- (vi) Existing Man power to be utilized to its maximum capacity in most economic and beneficial way.
- (vii) Rationalization of staffing pattern and fixing responsibilities of Heads of the Section /Deptt. to achieve required progress of work.
- (viii) Organizing Training Programmes and refresher courses to the employees regarding computer application in day to day activities of the organization.
- (ix) Making purchases in a most economic & competitive manner.
- (x) Ensuring the proper maintenance of store / stock record to reflect the upto date position.

11 Grant-in-aid :-

11.1 Over-depiction of Grants in the Balance Sheet by `585.67 lacs vis-à-vis the Statement of Grants supplied to Audit & other discrepancies

It has been observed during audit that the figure of receipt of grants as depicted in “Balance Sheet Schedule B-4: is over-depicted by `5,85,67,524.20 (5,67,54,736 in 2016-17 + `18,12,788.20 in 2017-18) as compared to Statements of Grants **(Annexure-F)** supplied to audit during the year 2016-17 & 2017-18 as per the detail given below. It was, however, noticed that the closing balances have been tallied/ matched in both the years without any supporting explanations except that there is a reference of prior period item of Rs. 17,87,54,000 and totaling error of Rs. 2,80,871 in the Note-4 of Notes to Accounts for the preparation of Balance Sheet appended below in the Balance Sheet of 2016-17 though there is no explanation about other additions of Rs. 1,15,00,000 as indicated in the year

2017-18. Moreover, the figures of opening balance & expenditure also do not match as given hereunder :-

ITEMS OF RECEIPTS			2016-17	2017-18
As per Schedule- B4 of the Balance sheet				
			(₹)	(₹)
Additions to grants			429354098	371772556.20
Interest/ Dividend Received on grants investments			46406975	17671268.00
Other additions			178754000	11500000.00
Total (A)			65,45,15,073	400943824.2
<u>Less:</u>				
Prior period items as per Note-4 to Balance Sheet (B)			17,87,54,000	-----
Net receipt of grant as per Balance Sheet { C = 'A'-B' }			47,57,61,073	40,09,43,824.2
As per Statements supplied to audit				
Receipts			405310888	348977749
Other receipts			13109069	49978840
Misc. Receipts			1886380	174447
			420306337	399131036
<u>Less:</u>			1300000	Nil
Refund of grant				
Overall net receipt as per statement supplied to audit (D)			41,90,06,337	39,91,31,036
Net difference ('C' – 'D')			5,67,54,736	18,12,788.20
(Overstated in Balance Sheet)				
	Year	As per Balance sheet	As per Statement supplied to	Difference (₹)

			audit	
Opening Balance	2016-17	48,27,62,231	9,81,29,331	(-) 21,53,67,100
	2017-18	86,64,42,573	866442571	+2
Total Expenditure	2016-17	27,05,53,862 (after adjustment for totaling error of Rs. 280871 as above)	25,19,93,097	(+) 18,56,0765
	2017-18	62,76,99,183	62,58,86,397	(+)18,12,786
Closing Balance as on 31.03.2018		639687211.74 or say 639687212	63,96,87,212	No difference

s

also added that the opening balance of the Statement of Grants as on 31.03.2016 was `46,57,33,570.21 (`41,92,48,846+`4,64,84,724.21) as per Statement supplied to audit as per previous audit report **Annexure-M** (4/2014 to 3/2016) which also does not match with the opening balance stated as above as on 01.04.2017 is `69,81,29,331 and the difference of `23,23,95,760.79 has not been qualified with any supporting explanations.

11.2 Grants of `159.60 lacs received not indicated correctly year-wise in the Statement supplied to audit:

In addition to above, the following errors were also noticed and the MC officials were asked to do the necessary corrections but to no avail:

(i) Grant of `9,60,557 under ICLEI-SA was received in the year 2016-17 and entered in Cash Book 450-62-08 on 25.01.2017 (**CBP-5**), but has been indicated in the year 2017-18 in the Statement of Grants supplied to audit.

(ii) Out of the GIA of `4.52 Crores depicted under Different works received from Director UD in 2016-17 `1.5 crore belonged to Challenge Fund, but has been taken in the Cash Book by the Project Cell in the year 2017-18.

11.3 Non –production of record related to grants of `27.97 lacs

The sanction letter etc. in respect of the following grants were also not shown to audit:

- (i) GIA of `34,762 received under Project Shunaya, European Union as per Statement of Grants for the year 2016-17.
- (ii) GIA of `27,32,000 received under Swachh Bharat Mission as per Statement of Grants for the year 2016-17.
- (iii) GIA of `30809 received under Biodiversity Committee Management Account as per Statement of Grants for the year 2016-17.

The Corporation was asked to provide the record as above, (11.1 to 11.3) make necessary corrections or justify these irregularities vide **Audit Memo No.70** dated **18.07.2022**, but no reply/justification was submitted till conclusion of audit. Hence, the excess depiction of receipt of grants under Schedule B-4 as on 31.03.2017 & 31.03.2018 may be justified besides attending to other irregularities and compliance alongwith record as above may also be produced during next audit.

12 Income

12.1 Mobile Communication Towers Fees

(i) Mobile Communication Towers Income Register is full of errors, cuttings, over-writings, unsigned by any DA / countersigned by any supervising Authority despite it being pointed out previously vide Para No. 12.13 of the Audit Report for the year 2014-16.

(ii) As per Para No. 5.1 of the Audit Report for the year 2014-16 a sum of Rs. 12,69,125 was stated to be outstanding for recovery from various companies as 31.03.2016 but as per information supplied to audit vide letter No. MCS/AST/LAD Audit/04/2016-03/2018/2022-143 dated 06.04.2022 **Annexure-D-4** (which has been supplied to audit in supercession of the information previously supplied vide letter No. MCS/AO/LAD Audit/04/2016-03/2018/2022-520 dated 28.03.2022) the amount outstanding as on 01.04.2016 has been stated to be `13,01,625/- and that too without any supporting clarification. Thus, there is a difference of `32500.

(iii) It appears that no reconciliation is being undertaken between the concerned branch and Accounts Branch even to reconcile the actual receipts as a result of which there is huge difference even in the figures of receipts reported to audit by the Tax Branch and actual receipts booked by the Accounts in the Income & Expenditure Account as per detail given here under:

TAX

Year	Annual Receipt reported by Tax Branch (₹)	Annual Receipt as per Income & Expenditure Account (₹)	Difference (₹)
2016-17	2026750	1687000	339750
2017-18	460800	222920	237880

(iv) Credits/Advance Receipts amounting to ₹75000/-only and ₹15420/-only respectively for the year 2016-17 and 2017-18 have been shown against the following companies but there is no corresponding inflation in receipts vis-a-vis the demand nor there is any corresponding entry thereof in the Balance Sheet under Current Liabilities being Advance Receipts:

Year- 2016-17		Year- 2017-18	
Name of Company	Amount of Credit or Advance (₹)	Name of Company	Amount of Credit or Advance (₹)
Vodafone	27500	Tata Teleservices	7295
Viom Network	5000	Idea Telecom	8125
Idea Telecom	36250		
Idea Pvt. Ltd.	6250		
Total	75000		15420

(v) Receipts entered on MC's accounting software at the Cashier's end also don't mention the name of paying company distinctly as has been found in respect of receipts bearing Sr. No. 596022, 596027, 596039, 596041, 596044, 596048, 596053 & 596059 all dated 06.03.2017 against which the names of three companies namely Vodafone/ Idea Cellular/ Bharati have been mentioned which also needs to be justified. These receipts except receipt No. 596039 have been entered against the Bharati Infratel.

(vi) Receipt No. 596037 dated 06.03.2017 has been recorded for `12500 at **Page -399 & 409** against Bharati Infratel, Bhatta Kuffar and Jakhu Towers while the said receipt is actually for `9108 and belongs to Water Charges etc. instead of Telephone Towers.

(vii) Same receipt bearing 555164 dated 22.07.2016 for `12500 has been found entered against two different towers in the Mobile Communication Towers Register at Page No. 23 & 41 i.e. against towers of Vodafone at Sumerhill as well as Mashobra.

(viii) Older receipt No. 382582 dated 09.07.2013 entered at Page-41 Mobile Communication Towers Register in 2013-14 has again been entered at Page-43 in the year 2017-18 in case of Vodafone Mashobra without any reason being recorded.

(ix) Credit of `65625 has been given to CNIL in 2016-17 for its Tower at Summerhill at Page-247 of the Register against Receipt No. 588047 dated 08.02.2017 while the said receipt as confirmed from MC's Accounting Software had actually been cancelled.

MC authorities were asked to explain the large scale discrepancies noticed as above vide Audit Memo No. 26 dated 08.04.2022 but no reply was received till the date of conclusion of audit. As a result the income earned on this account could not be verified and as such this issue may be looked into on priority, record be got corrected and may be explained to audit with cogent reasons as chances of short realization cannot be ruled out in such circumstances.

12.2 Loss of `2.43 lacs due to under-charging of rates than the prescribed rates for the restoration charges of Road & path etc. within MC limits during FY 2016-17 & 2017-18

It has been found during test check of income on account of recovery of Road Digging Charges that there is short realization/ billing of `2,43,357.80 only as per detail given in the enclosed **"Annexure-G"** due to wrong application of rates contrary to the rates approved vide MC house vide Resolution No. 3(10) as approved in its 6th meeting held on dated 29.09.2012 vide which various rates were approved which were valid upto 31.03.2013 and increase of 10% every financial year had to be effected year on year which were to be further rounded off to higher multiple of `50 or `100 but has not been done as is clear from the detail given in the enclosed Annexure. Rates valid during the

R & B

audit period were as under but instead recovery was done at much lesser rates as per detail given in the enclosed “**Annexure-G**”:

Sr. No.	Description	Unit	Rates fixed which were valid upto 31.3.13	Rates to be charged	
				2016-17	2017-18
			Rs.	Rs.	Rs.
1	Road/path Tarred with Bitumen macadam and premix carpet	1 mtr length	1600	2450	2700
2	Road/path tarred with premix carpet without Bitumen macadam	1 mtr length	1050	1650	1850
3	Cement concrete road/path	1 mtr length	1050	1650	1850
4	Road/path with red stone/kota stone	1 mtr length	1500	2300	2550
5	Road/path with pavers/chequered tiles	1 mtr length	1850	2850	3150

Further it has also been observed that all the Bills (raised/issued) bear the same description/nomenclature, i.e., “Restoration charges for digging of MC Road’ only without mentioning the specific details of type of road dug according to rates specified due to which the different rates charged from the clients could not be verified in audit and recovery as above has been worked out keeping in view the rates applied after due consultation with the concerned DA who had skipped year-on-year rounding off to higher `50 or `100.

Municipal authorities were asked to explain the above lapse vide **Audit Memo No.72 dated 20.07.2022** but no reply was received till conclusion of audit. Hence, short billing / realization may either be justified with cogent reasons or recovery effected from the concerned in due course under intimation to audit. It is added that the cases concerning external parties alone have been pointed out here while the similar pattern has also been observed with regard to amount due from MC’s own departments. Further, the amount outstanding for recovery as on 31.03.2017 and 31.03.2018 was also asked to be intimated to audit vide aforementioned Audit Memo but remained un-replied from MC’s side. Hence, factual position in this regard could not be known. It is also suggested that for the sake of proper implementation, the rates may be fixed in clear-cut monetary terms for each

year after providing for the desired hike & rounding off etc. say `2000/m for 2018-19, `2200/m for 2019-20, & `2450/m for 2020-21 and so on leaving no scope for confusion, instead of providing for % hike and subsequent rounding off which has led to confusion and consequent short-realisation not only now but also previously as was pointed out vide **Para No.12.14 of the Audit Report 2014-16.**

12.3 Compounding Fees: Architect Planning Branch

12.3 (i) Suspected short realisation of `2.35 lacs on account of Compounding Fees :

AP

As per recordings on case file at N-3 to 9, the Compounding Fees in the case of Basement & Ground Floor of the Building of Sh. Ramesh Kumar, Kasumpti Khasra No. 973/438/3 & 971/434/3, has been done for `2,34,578/only for **framed structure only** which was realized vide Receipt No. 638774 dated 25.09.2017 (cheque initially deposited vide Receipt No. 616277 dated 16.05.2017 had, however, been dishonoured) for `2,34,806 which included `228 on account of PP Fees for addition to proposed area in view of the revised proposal submitted by the owner. The said owner has been charged only half the rates for all deviations even in the covered area considering the said area to be open area until the completion of the said floors by him. Audit had, therefore, vide Memo No. 45 dated 08.06.2022 sought the clarification whether or not the remaining amount due on account of Compounding Fees has been realised on actual completion of the said Basement & Ground Floor by the owner as chances of short realization in such circumstances cannot be ruled out. But no response was received till the date of conclusion of audit. Therefore, besides justifying it the factual position may be provided during next audit for necessary verification.

(ii) Short realization of `0.17 lacs due to compounding of deviation upto 10% separately for open and covered area instead of taking it as a whole:

AP

As per provision contained under Clause 45 of Municipal Corporation, Shimla Building Bye Laws, 1998 copy of which was provided to audit, the deviation upto 10% not

on Setback have to be compounded @10% of the Cost of Building while deviation between 10% to 20% have to be compounded @ 20% of the Cost of Building and deviation beyond 20% have to be compounded @ 100% of the Cost of Building. But in the case of flats owned by Sh. Ajay Sood & Sh. Rakesh Kumar it has been observed that deviation upto 10% have been calculated separately for the covered area as well as open area and thereby compounding the deviation at lesser rates than that was due resulting in the short realization to the tune of `17209/-only (`7871 for 2nd Floor and `9338 for 3rd Floor) @ `10623 sq.mtrs) on account of compounding Fees as the deviation of 16.20 sq. mtrs. was compounded @ 10% instead of @ 20% as indicated in the following Table:

Floor	Owner	Sanctioned Area in Sq. Mtrs.	Deviations allowed/ due			
			0 to 10%		10 to 20%	
Address	New Nanak Niwas, Bharari		Covered Area	Balcony	Covered Area	Balcony
2nd	Sh. Ajay Sood	105 Sq. Mtrs.	7.41/ Nil	10.50/ 10.50	--/ 7.41	1.98/ 1.98
3rd	Sh. Rakesh Kumar	105 Sq. Mtrs	10.09/ 1.30	9.20/ 9.20	--/ 8.79	---/----
			17.50/ 1.30	19.70/ 19.70	--/ 16.20	1.98/ 1.98

Short realisation as pointed out above may either be justified with the supporting provision of the Building Bye Laws or the amount short realized may be recovered from the concerned and compliance shown to audit. Similar other cases, if any during the audit period may be identified at your end and recoveries, if any due may also be effected under intimation to audit while this practice may also be stopped forth with.

(iii) Short realization of `0.01 lac due to collection of lesser fees than due

AP

As per recordings on case file at N- 8 to 14, the Compounding Fees in the case of Building of Sh. PremSagar at Upmohal Panjri Near New Bus Stand, Tutikandi, Shimla (Khasra No. 569,595,596,598 & 599) was worked out to `11793 but only a sum of `10645

was collected vide Receipt No. 594297 dated 01.03.2017. Thus, a sum of `1,148 was less realised which may now be recovered from the concerned and compliance shown to audit.

AP (iv) Other lapses

Registers of Income of the AP Branch were neither signed by any DA nor by any Supervising Officer which may be ensured invariably. As there is no internal check on the related record and chances of any irregularity cannot be ruled out.

MC authorities were asked to attend to the above discrepancies vide Audit Memo No. 45 dated 08.06.2022, but no reply was received till the date of conclusion of audit. Hence, this may be looked into, factual position ascertained as per audit observations and compliance reported to audit.

12.4 Revenue Loss of `17.85 lacs {`12.35 + 5.50 lacs} due to undue delay in re-allotment of

ESTATE Parking Lots & other lapses- Estate Branch:

(i) Revenue Loss of `12.35 lacs due to undue delay in re-allotment of Parking : Metropol 5th Floor/ Terrace Floor (both names have been used in file), Name of the contractor: Shri Jeewa Ram :

This parking was allotted on single bid for the period w.e.f. 20.04.2016 to 19.04.2017 for `27,50,505/- only plus ST/GST but no approval of the house for having accepted this on single bid was shown to audit. Further, as per the file no action was initiated in the month of March & April, 2017 for extension of this contract or for re-auction thereof which is a major lapse. It has, however, been recorded on file at **N-49 dated 12.03.2018, N-55 dated 23.02.201 & at N-60 dated 25.03.2021** that the Contractor on expiry of the above contract was called by then Commissioner to run the parking until alternate arrangements are made but neither the same was adhered to by the Contractor nor the parking repossessed by the MC until 05.09.2017, while the Contractor had specifically requested to take back the possession from him vide his letter No. 2299/HQ/17 dated 03.05.2017. This undue delay resulted in a revenue loss to the tune of `12.35 lacs ($\text{`27.50 Lacs} \times \frac{139 \text{ days}}{365 \text{ days}} \text{ plus GST@18\%}$) since the Contractor refused to pay the

demand raised by MC for the period w.e.f. 20.04.2017 to 05.09.2017 stating that he had not operated the parking beyond the Contract period and had requested the MC time and again for re-possession. The account of the Contractor was even finally settled on 12.04.2021 and he was issued the **No Dues Certificate** as per N-67 to 70 of the said file. His Security of `5,00,000/- was adjusted against the amounts due from him upto the period of the original contract. The said verbal orders were neither got confirmed in writing from the then Commissioner (which is a pre-requisite as per office procedure) nor the contractor was legally bound for payment for the period beyond 19.04.2017 by any contract or even a letter etc which is a major administrative lapse. It is also added that to conceal the lapses as above audit was also misinformed vide No. MCS/SE(LAD-Audit Memo-544-506 dated 03.06.2022 that this parking was being operated departmentally.

(ii) Revenue Loss of `5.50 lacs due to undue delay in re-allotment Parking Lot Jodha Niwas.

ESTATE

This parking was allotted on single bid for the period w.e.f. 19.04.2016 to 18.04.2017 for `4,90,003/ only plus ST/GST but no approval of the house for having accepted this on single bid was shown to audit. Further, as per file no action was initiated in the month of March & April, 2017 for extension of this contract or for re-auction thereof which is a major lapse. It was, however, noticed as per file noting that the Contractor was asked to continue the operation of the Parking until the next tenders but he had refused vide his email dated 22.07.2017 (Diarised under No. 1419 dated 24.07.2017). Still the repossession was not taken by MC until 31.03.2018 which resulted in the revenue loss to the tune of `5.50 Lacs (`490003x347/365+18% GST). No written orders in support of file noting regarding continued operation till tenders as above were shown to audit nor the contractor was legally bound for payment for the period beyond 18.04.2017 by any contract which is a major administrative lapse. Audit was, however, not informed whether of Security of `80000 of the Contractor has been released / forfeited or not despite being asked specifically in this regard.

Similar lapses in rest of the cases resulting in huge revenue loss to the MC besides these being deliberate and with malafide intention also cannot be ruled out while Income ledgers was also not found signed which may also be ensured invariably from the Dealing Assistant as well as Superintendent level.

The Corporation was asked to justify these major lapses vide **Audit Memo No.61** dated **11.07.2022** but no reply/justification was submitted till conclusion of audit. Hence, the lapses as above may either be justified to audit or revenue loss caused may be made good from the concerned at fault since it is purely an administrative failure and file notings also appear to be concocted after-thoughts.

In order to prevent the similar losses/ lapses in future it is also suggested as under:

(i) All the parking contracts may be advertised for auction initially at the same time every year just like Excise Vends by State Taxes and Excise Department instead of in piecemeal manner and terminated on the same date no matter when awarded to derive the maximum advantage of competition.

(ii) Seats of income may be rotated at regular intervals which with the implementation of Suggestion (i) above would also check manipulation at the end of Dealing Hand/ Branch level and all authorities in the channel as well as the potential bidders would be knowing of due time of auction.

(iii) No parking be allotted on receipt less than three bids. This possibility would itself not arise once the Suggestion No. 1 as above is sincerely implemented.

(iv) Contracts may be got signed invariably on the prescribed non-judicial papers from the concerned contractors both at the time of initial contract or even on extensions to protect MC interests legally.

(v) Parkings may be re-possessed immediately on expiry of the Contracts or otherwise.

(iii) Non-production of record - Estate Branch:

Complete record regarding other incomes realized by the Estate Branch viz. Tehbazari, Film Shooting, Hoarding was not provided to audit despite several verbal requests and **Audit Memo No.61** dated **11.07.2022**. This may be shown during the course of next audit.

12.5 Lease Rent

(i) Outstanding `222.07 lacs plus GST & Interest

ESTATE (I-V)

As per information supplied to audit **Annexure-“H”** a sum of `2,22,07,217 plus GST & Interest was outstanding at the time of closing of audit period i.e. as on 31.03.2018. But on being asked the latest position in this regard it was informed as per **Annexure-“H-1”** that majority of recovery has been effected and only a sum of `4,28,676/- is outstanding for recovery by 30.11.2021. This may also be got realised at the earliest.

(ii) Short realization on account of Lease Rent due to various errors of carrying forward, wrong balancing etc. `4.65 lacs

It was found during the course of test check that there has been short realization of `4,64,591 due to various errors of wrong calculation of interest etc wrong balancing, carry forward, under-raising of demand,. as elaborated hereunder:

(a) Interest due for delayed payment in r/o Account No. 151 of the Sr. Executive Engineer, Electrical Division-2, HPSEB, Shimla upto 31.03.2018 worked out to `38,11,628 as per calculation given hereunder but instead the same was indicated as `33,32,446 as per entries recorded in the Ledger for the year 2017-18 while further extra interest of `2,58,288 has also been recovered as per entries recorded in the Ledger for the year 2018-19. Thus, there has been short realization of `2,20,894 as per detail given hereunder:

Year	Rent outstanding	No. of years	Interest due @8% upto 31.03.2018 ()	Interest charged as per Ledger ()	Short realization ()
2013-14	10319085	4	3302108	3332446 (as per ledger 2017-18) 258288 (as per ledger 2018-19)	220894
2014-15	1178319	3	282798		
2015-16	1417017	2	226722		
			3811628	3590734	

(b) Interest amounting to `1,54,644/- due as on 31.03.2017 in respect of Account No. 142 of HP State Electricity Board, Subdivision, Shimla has not been carried forward to next year i.e. 2017-18 resulting in short realization to that extent.

(c) Reliance Jio Infocomm Ltd., Kingsley Estate, Shakuntalam Bhawan, Sanjauli, Shimla Account No. 149, the balance outstanding from the firm has been indicated as 'Nil' as on 31.03.2018 whereas on examination of the account it has been found that a sum of `86,430 was still due to be recovered from the firm as per detail given hereunder:

Lease done w.e.f. 16.10.2014 onwards for `50,000 per annum with provision for 10% increase at yearly interval						
Year	Period	Rate of Rent (₹)	Rent Due (₹)	Rent collected including of ST/GST as per ledger (₹)	Short realization (₹)	Remarks
2016-17	01.04.2016 to 15.10.2017 (6M15D)	55000	356613	781688	12202	Demand for this year as per Ledger has been indicated as `759372 plus Service Tax and still the balance due as on 31.03.2017 was reduced to Nil despite lesser collection
	16.10.2016 to 31.03.2017 (5M16D)	60500	333726			
		Total	690339			
Service Tax @15%			103551			
Total			793890			
2017-18	01.04.2017 to 15.10.2017 (6M15D)	60500	392274	816386	74228	Demand for this year as per Ledger has been indicated as `759879 plus Service Tax/ GST and still the balance due as on 31.03.2017 was reduced to Nil despite lesser collection.
	16.10.2017 to 31.03.2018 (5M16D)	66550	367098			
Sub total			759372			
Service Tax @ 15% upto 30.06.2017			27225			
GST @18% w.e.f. 01.07.2017			104017			

Total demand i/c tax	890614			
Total short realisation			86430	

(d) Interest due on account of delayed payment as on 31.03.2017 in respect of Account No. 41 of Shri M R Dhani, Otter Villa, Lakkar Bazar, Shimla worked out to `13,084 but the same was instead indicated as `11,461. Thus, demand has been less raised by `1623.

(e) Demand due from Shri Suresh Kumar Chadda, Lessee Account No. 33, Hotel Ashiana Regency, Chhota Shimla for the year 2017-18 after 20% hike on `61226+GST only charged during 2013-14 to 2016-17 worked out to `73471+GST but the same was instead raised for `67349+GST initially i.e. lesser by `6122+GST. Out of this only a sum of `5122 alone was realized in the subsequent year 2018-19 vide Receipt No. 693094 dated 11.01.2019 and balance due was shown as “Nil”. Thus, a sum of `1000+GST was short realized.

(iii) Non-renewal of Lease Agreements

As per information provided to audit at **Annexure-“H-2”** none of the lease expired during the audit period but those expired before the audit period were also not renewed during audit period/ till date. As such the position remained the same as was pointed out vide Para No. 12.1 of the previous Audit & Inspection Report for the period 01.04.2014 to 31.03.2016. As such it is once again reiterated that leases expired may be got renewed immediately while for future the same may be renewed as and when due in order to protect the interests of the MC legally.

(iv) Other lapses

None of the entries recorded in the Ledger were found to be signed by the Dealing Official nor seen/ attested by any Supervisory Officer which may be ensured invariably for future.

The Corporation was asked to address the above lapses during the course of audit vide Audit Memo No. 48 dated 20.06.2022 but no reply in this regard was received till the

date of conclusion of audit. Hence, the amount short realised may be recovered from the concerned while the other lapses as above may also be got addressed and compliance reported during next audit.

(v) Overcharging of Lease Rent to Director, Medical College, Shimla in excess of `7.18 lacs

During the course of checking of the Account No. 38 pertaining to Lease for Station Ward Bara Khasra No. 261 A & 261/1 and 261/2, Sanjauli of the Director, Medical College, Shimla it was found that demand for the year 2016-17 and 2017-18 was raised to `3,99,192 after 20% hike due on the previous demand of `33266 only instead of Rs. 39,919 actually due and thus overcharging the said office by `7,18,546 $\{(399192 - 39919) \times 2\}$ during the audit period and the same is continuing thereafter. On further scrutiny of the account it was also found that the rate applied in case of this lease in the year 1991 was also not applied correctly as instead of `16295 due on the area of 3752 sqmtrs worked out @ 5% of the circle rate of `325898.72 as per report of Patwari found on file, `18760 was charged which was applied @ `5 per sq. mtrs. Moreover, hikes due @ 10% and 20% respectively from 01.04.1991 and 01.04.2013 at three years interval were also not worked out as and when due. As such this account was found to be a complete hotchpotch and was asked to be reviewed as a whole during the course of audit vide Audit Memo No. 48 dated 20.06.2022 but no reply in this regard was received till the date of conclusion of audit. Hence, the same may be got examined at your end and audit be apprised of the final findings in this regard.

12.6 Property Tax

(i) Amount outstanding for recovery from government organizations `317.99 lacs

As per information supplied to audit at **Annexure-I** a huge sum of `3,17,99,208 was outstanding for recovery from government organizations alone which may be recovered at the earliest by taking up the matter at government level so that financial position of the MC is strengthened.

(ii) Revenue loss of `1.66 lacs due to irregular grant of rebate, understating of Demand, etc.

(a) As per provision contained under Clause 10 of the Municipal Corporation, Shimla (Property Taxation Bye-laws) read with the note below ‘Description of Tax’ and the Condition No. 4 of the Terms & Conditions of the prescribed bill proforma as given in the **Form “B”** annexed to the said Byelaws, 10 % Rebate on the billed amount of the Property Tax Bill is admissible only in case the demand is for the current year and the bills are deposited before due date i.e. within 15 days from the date of the issuance of the bill. But it has been observed during test check of the related Receipt Register & Demand & Collection Register (software printouts supplied to audit) that in the following cases the rebate has been allowed even when the amount was deposited by the concerned assessee after due date thereby resulting into revenue loss of `149991 to the MC exchequer as per detail given in the following Table:

Sr. No.	ID No.	Name of property	Billed Amount (₹)	Date of bill, Due Date & Date of Receipt	Amount collected (₹)	Short-realisation due to irregular grant of rebate (₹)
1.	A1735847	House no. 52 Nishpriya Cottage, Sanjauli	13939	11.04.2017	12545	1394
				25.04.2017		
				02.05.2017		
2.	A1541842	Moon Shopping Mall, Chhota Shimla	34290	18.04.2017	30861	3429
				02.05.2017		
				03.05.2017		
3.	A1735849	NayaBhawan, Sanjauli	2401	11.04.2017	2161	240
				25.04.2017		
				02.05.2017		
4.	A942817	Directorate of Transport, Pariwahan	96673	26.04.2017	87006	9667
				19.05.2017		
				10.05.2017		

		Bhawan				
5.	A25003818	Forest HO at Talland	133599	11.04.2017	120239	13360
				25.04.2017		
				22.05.2017		
6.	A2543367	Sam Villa, Kanlog	9812	29.04.2017	8832	980
				13.05.2017		
				23.05.2017		
7.	A01002466	Existing Old Chemistry Block, RKMV, Shimla	8434	04.05.2017	7591	843
				18.05.2017		
				23.05.2017		
8.	A01002458	Existing Science Block RKMV, Shimla	309591	04.05.2017	278632	30959
				18.05.2017		
				23.05.2017		
9.	A01002459	Existing Building of Tribal Girls Hostel, RKMV, Shimla	191156	04.05.2017	172040	19116
				18.05.2017		
				23.05.2017		
10.	A1042761	Old Bus stand Complex, Shimlai	411952	24.04.2017	370757	41195
				08.05.2017		
				25.05.2017		
11.	A1244252	Parking Holiday Home, Shimla	113400	24.04.2017	102060	11340
				08.05.2017		
				26.05.2017		
12.	B638360	HPSLDC, Shimla	75222	05.04.2107	67700	7522
				19.04.2017		
				04.05.2107		
13.	A1735850	NayaBhawan, Sanjuali	39938	11.04.2017	35945	3993
				25.04.2017		
				02.05.2017		
14.	A1735846	Monal Public School, Sanjauli	59535	11.04.2017	53585	5953
				25.04.2017		
				02.05.2017		
		Total	1499942		1349954	149991

Note : As no record regarding actual date of service of the bill was shown to audit the date of bill itself has been considered to work out the period of 15 days including the date of the bill as has been the practice here.

(b) In the following instances rebate of 10% of the billed amount for the current year has been allowed while the account was in arrear which has resulted into short realization of `5581.

Sr. No.	ID No.	Name of property	Tax + arrear due as per DCR (`)	Amount collected (`)	Rebate allowed (`)	Remarks
1.	A2543367	Sam Villa	9812+26000=35812	34832	980	Arrear may also be explained duly supported with Form-E
2.	A437992	GPS Chaura Maidan	28066+67360=95426	92620	2806	
3.	A738020	GPS Ghora Chowki	17955+43092=61047	59252	1795	
			Total	186704	5581	

(c) As per assessment shown to audit Property Tax in r/o property named Hotel Howard, Kali Bari, Shimla ID No. A332222 worked out to `54216 and `48794 after rebate of 10% for payment within due date but instead the same was shown in the Demand & Collection Register printout of the software as `47412 in 2016-17 and collections of `154563 has been made in 2016-17 (which includes arrear of `111892 and `42671 for 2016-17 after rebate) and collection of `42671 done in 2017-18 after rebate resulting in the short realization of `11545 in 2016-17 (`54216 – 42671). Since the account was in arrear and rebate was not admissible and there was further short realization of `6123 in 2017-18 {`8794 (amount considered after rebate since the payment was otherwise made in time)– 42671) during the audit period. The account may be reviewed and exact amount of short realization may be worked out after consulting the record in full since the error continued beyond the audit period while short realization on account of interest and penalty also cannot be ruled out.

(d) Property Tax in r/o property of Shri Surinder Singh Khera ID No. A1327198 worked out to `20135 as per assessment shown to audit and `18122 after rebate of 10% for payment within due date but instead the same was shown in the assessment as Rs. 15101

due to wrong multiplications and collections of `13591 has been made after rebate resulting in the short realization of `4531(`18122-13591) in 2016-17 and `6544(20135-13591) in the year 2017-18 as the bill was issued on 17.04.2017 and collection done on 02.05.2017 i.e. after 15days and rebate was impermissible. The account may be reviewed and exact amount of short realization may be worked out after consulting the record in full.

In this way a total revenue loss of `166226 (149991+5581+6123+4531) has been made to Municipal fund on account of irregular grant of rebate & under stating of demand etc. which may be justified or made good from responsible person.

(iii) Carrying forward lapses- loss of `0.23 lac.

(a) In case of another property ID No. A2127103 the property tax was due @ `5399 but the same was instead worked out to `7200 as per assessment due to wrong calculation. These may be rechecked with supporting Form E. It was also noticed that during 2016-17 demand of `7200 plus arrear of `17280 has been indicated in DCR of this account against which receipt of `6480 was received (i.e. after rebate) and no arrear was carried forward in subsequent year(s) resulting in a loss of `10800. The account may be reviewed and audit be apprised of the factual position.

(b) In case of another property ID No. 24001833 demand of `12384 plus arrear of `12508 has been indicated in DCR of this account against which receipt of `12384 was received and no arrear was carried forward in subsequent year(s). The account may be reviewed and audit be apprised of the factual position.

(iv) No demand recorded as per Demand & Collection Register-suspected revenue loss of `1.43 lacs.

As per Demand & Collection Register no demand and collection was found recorded in r/o the following properties in the years indicated there against while no arrear on this

account was also found recorded in the subsequent years. These account may be reviewed as a whole as similar lapse has been noticed beyond audit period and the amount short realized may be recovered from the concerned quarter and compliance reported to audit in due course .

Sr. No.	ID No.	Name of property	Year	Demand due as per DCR ()
1.	A942817	Directorate of Transport	2016-17	96673
2.	A437992	GPS Chaura Maidan	2017-18	28066
3.	A738020	GPS Ghora Chowki	2017-18	17955
			Total	142694

(v) Demand under-shown in Demand & Collection Register vis-à-vis the assessments due to calculation errors etc.

In the following cases as per assessment shown to audit the demand due on account of Property Tax was on the higher side vis-à-vis the amount of demand and actual collection thereagainst shown in the Demand & Collection Register. The supporting Form-E were not produced to audit and the complete verification in this regard could not be done but still short realization in this regard cannot be ruled out.

Sr. No.	ID No.	Name of property	Tax due as per Assessment shown to audit ()	Tax due as per Demand & Collection Register during 2016-17 & 2017-18	Collections in audit period 2016-17 & 2017-18
1.	A1440002	Hotel Amar Palace	75514 (67962 after rebate)	57835 (52052 after rebate) p.a.	57835 52052

2.	A22003950	Atma Ram House Boundry, Chhotta Shimla	27640 (24877 after rebate)	8190 (7372 after rebate) p.a.	7372 7372
3.	B638986	ParwatiBhawan Near Coopertive Bank, Tutu, Shimla ID No. B638986	11134 (10020 after rebate)	8233 (7410 after rebate) p.a.	7410 8233
4.	B2134204	AdityaBhawanP anthaghati	6442 (5798 after rebate)	3528 (3175 after rebate) p.a.	3176 3176

(vi) Names of Properties missing in Demand & Collection Register while collections were found recorded:

As per the software printout of the Demand & Supply Register supplied to audit it has been found that while the billed amount as well as receipt in r/o following properties were found recorded in the said Register but neither the property nor the owners have been identified. As such it cannot be ascertained as to which property the tax pertains to and who deposited the same. This may be explained to audit with proper supporting record while other similar cases may also be identified at your end besides it may also be explained how these cases are being depicted in the books of accounts.

ID No.	Collections during audit period		Receipt No. with date as per Receipt Register
B-739075	2015-16	108135	B7847150930104618 dt 30.09.15
	2017-18	114400	B7444170506134105 dt. 06.05.17
A-1643449	2016-17	2848	A16587160509113351 dt. 09.05.16
	2017-18	2848	A16164170522101359 dt 22.05.17
B-18003853	2016-17	6181	B18469160517113053 dt. 17.05.16
	2017-18	6181	B18796170530110700 dt. 30.05.17

Account in r/o ID No. B-739075 may also be reviewed as a whole since collection of `114400 alone has been made while the demand has been stated to be `368145.

(vii) Other lapses :

(a) Demand and Collections in r/o properties with ID No. A1328713, A14001006, B24008179, A339769, A-15004320 were found to be on the higher vis-à-vis the assessment shown to audit which may be explained to audit with the supporting Forms-Es.

(b) Assessment alongwith supporting Form-E in r/o the following properties may be shown to audit as the Property Tax has been increased substantially in 2017-18 vis-à-vis 2016-17 as per software printout of the Demand & Collection Register shown to audit while the receipt as shown in the Receipt Register against these IDs in May, 2017 (**in r/o Sr. No. 1 to 3 only**) were also not found entered in the Demand & Collection Register which may be explained to audit with cogent reasons while the receipt actually posted in the DCR in 2017-18 may also be got verified from audit :

Sr. No.	ID No.	Name of Property	Tax as per Demand & Collection Register in 2016-17 & 2017-18	Amount a/w Receipt No. & date of receipt received as per Receipt Register not found posted in the Demand & Collection Register ()	Amount of receipt posted for 2017-18 as per Demand & Collection Register ()	Remarks
1.	A133371	Hotel White Lakkar Bazar	65934 107360 (Previous arrear `125359 extra)	59341 dated 26.05.2017 A-15181705261258 46dated 26.05.2017	237373 Vide Receipt No. A1491171102123037 dated 02.11.2017	
2.	A1343658	New Bridge View Hotel	38786 121925	34908 A-13206170531121 237 dated 31.05.2017	76820 Vide Receipt No. A13222180320133117 dated 20.03.2018	No arrear shown in 2018-19 despite lesser collection
3.	A127311	MannatLakkar Bazar	35100 47520 (Previous arrear Rs. 14083 extra)	31590 dated 24.05.2017 A1259170524123 821 dated 24.05.2017	62835 Vide Receipt No. A1495171030122755 dated 30-10-2017	

4.	B230 04533	Rockwood Villa Below Police Station, BCS, New Shimla	1421 3085 (Previous arrear '3348 extra)	-----	6451 Vide Receipt No. B23398180 122121754 dated 22.01.2018	
----	---------------	------------------------------------------------------------------------	-----------------------------------------------------	-------	---------------------------------------------------------------------------	--

(c) As per record supplied to audit there has been huge demand on account of previous arrear in the year 2016-17 in the following cases which may be explained to audit duly supported with the Form-Es and supporting calculations justifying the amount of arrear as well as the interest besides non-recovery of penalty as it has been observed that in all the cases though the penalty has been indicated in the DCR but there has been actual realization of the same and accounts have been settled:

Sr. No.	ID No.	Name of Property	Annual Property Tax as per DCR (₹)	Amount of previous arrear included in the Demand for 2016-17 as per Demand & Collection Register (₹)	Amount of interest and penalty as per DCR	Collections which includes Current Demand, Arrear and interest only (₹)
1.	A1734651	Tubhawan, Sanjauli	143.50	30773	11.46/ 7.16	30928
2.	A344459	Set No. 2, Baba Building, Shimla	72.90	14038	5.83 / 3.65	14117
3.	A1734648	Shop No. 4 Chopra Complex, Sanjauli	6426	91254	514.08 / 321.30	98194
4.	A44436	Himalayan Bird Park, ChauraMaidan	32329.50	81472	2586.36 / 1616.48. Moreover, the current demand as per assessment	116388

					shown to audit is Rs. 3369 which does not match with DCR	
5.	A2444427	KananBala Building, Bye Pass ChowkKhalini	20285.37	51529	1622.83 / 1014.27	73437

Most of the discrepancies pointed out as above also reflect poorly on the automated working of the software and it appears that it is being manually intercepted and, therefore, the data being generated cannot be fully relied upon and moreover in these circumstances further chances of irregularity on the lines of those noticed as above or any wrongdoing cannot be ruled out and urgent attention of authorities is needed to review the deficiencies of the software system as a whole.

The Corporation was asked to supply the information as above and/ or to address the above lapses during the course of audit vide Audit Memos No. 59 dated 06.07.2022 but no reply in this regard was received till the date of conclusion of audit. Hence, the amount short realised may be recovered from the concerned while the other lapses as above may also be got addressed and compliance reported during next audit alongwith supporting record.

(viii) Non-production of record:

TAX

As per record received from Architect Planning Branch Justice Dharam Chand Chaudhary was granted sanction for change of building use in respect of his property at Arindamaira Holmes Estate, Kasumpti, Shimla from residential to Public/ Semi-public (First & Second Floor) vide Commissioner's Order No. 67(AP) dated 16.03.2017 but as per Demand & Collection Register output obtained from the Tax Branch against the assessee Id-A-2237432 the assessment which was initially for Rs. 339 in 2014-15 & 2015-16 and subsequently revised to Rs. 2308.50 in the years 2016-17 & 2017-18 has finally been raised to Rs. 11913.41 i.e. after change of building use in the year 2018-19 instead of from the year 2017-18. Audit had, therefore, sought this to be clarified with the related

assessments alongwith all the three E-forms vide Audit Memo No. 42 dated 20.05.2022 among other issues which was though replied to vide letter No. MCS/AO/LAD Audit/ 04/2016-03/2018/ 2022-1321 dated 25.06.2022 but this aspect was not touched upon. Hence, the factual position in this regard may be intimated during the course of next audit as chances of short realization cannot be ruled out.

12.7 Shop rent :-

(i) Short realization amounting to `2.98 lacs on account of Shop Rent & Interest thereon etc. due to various errors of carrying forward, wrong balancing, over-indication of collections, non-charging of interest etc.

ESTATE
(up to Pg 81)

It was found during the course of test check that there has been short realization of `2,98,881 due to various errors of carrying forward, wrong balancing, over-indication of collections, non-charging of interest etc. :

Carrying forward lapses of Closing Balance `2.15 lacs.

(a) Closing balance as on 31.03.2017 on account of Rent as on 31.03.2017 in respect of ShriSuneet Gupta, Shop No. 37/1, A/c No. 196/1 was shown on the lesser side by Rs. 1,07,971 plus ST/GST & interest resulting in short realization as the balance was reduced to Nil while there was only receipt of `1,07,971 once during the year 2016-17 while the demand of `1,07,971 for 2015-16 was in arrear and there was subsequent demand due for the said amount i.e. `1,07,971 for the year 2016-17 as well.

(b) Closing balance as on 31.03.2018 in respect of Shri Yashwant Singh, Stall No. 235, A/c No. 141/1, worked out to `221751 (Rent-`135766, GST `25338 & Interest `60647) but the same was indicated in the ledger as `166104 (Rent- `140766, GST `25338 & Interest Rs. Nil) thereby on the lesser side by `55,647 resulting in short realization.

(c) Closing balance as per ledger as on 31.03.2016 in respect of Sh. Amar Nath Bhatia, Old Wine Shop, Sabji Mandi, Shimla A/c No. 473/1 was `34202 (Rent- 26102, ST `7903& Interest `197) but the same was instead brought forward as on 01.04.2016 as `3575 (Rent-

2462, ST `1113 & Interest Rs. Nil) thereby on the lesser side by `30627 resulting in short realisation.

(d) Closing balance on account of Rent as per ledger as on 31.03.2016 in respect of Sh. Baldev Sharma, Shell Saptanik Below Rain Shelter, Revoli Bus Stand, Shimla A/c No. 125/3, **Shop No.**Not mentioned in ledger was `1649148 but the same was instead brought forward as on 01.04.2016 as `16,38,472 thereby on the lesser side by Rs. 10676. Moreover, interest due in respect of this account has also not been worked out.

(e) Shri Joginder Grover, Stall No. 78 Lower Bazar, Shimla A/c No. 73/1 had an arrear of `21562 as on 01.04.2016 and with the subsequent demand of `21562 for the year 2016-17 a sum of `43,124 was due from him against which rent of `8360 and `8056 was collected vide Receipts No. 561292 dated 26.09.2016 and 585166 dated 26.12.2016 respectively during the year. As such the closing balance worked out to `26,708 but the same was instead stated to be `21562 and thus on lesser side by `5146 plus ST/GST & interest.

(f) Interest due as per ledger as on 31.03.2016 in respect of Sh. Akhil Mahendra, A/c No. 121/3, Shop No. 1 was `28,047 but the same was instead brought forward as on 01.04.2016 as `23,103 thereby on the lesser side by `4,944 resulting in short realization.

(g) Closing balance as per ledger as on 31.03.2016 in respect of Sh. Hira Singh c/o ShriArunKuthiala, Below Singh Sabha, Krishna Nagar, Shimla A/c No. 55/3, **Shop No.**-Not mentioned in ledger was `1537 (Rent- 1308, ST `195 & Interest Rs. 34) but the same was instead brought forward as on 01.04.2016 as `1004 (Rent- 464, ST `67 & Interest Rs. 2) thereby on the lesser side by `533 resulting in short realisation.

(ii) Demands indicated on the lower side due to calculation errors of current demand and interest `0.23 lac.

(a) Demand due from Shri Madan Lal, Shop No. 36/21 A/c No. 193/1 as on 01.04.2016 was required to be hiked by 10% due after lapse of 5 years i.e. from `2838 to `3122 but instead the demand was reduced to `2622 w.e.f. 01.04.2017 which continued as such in the subsequent years as well. As a result there was short realization of `500 plus ST/GST per annum since 2016-17 onwards.

(b) Demand due from Smt. Nutan Sachdeva Himanshu Sachdeva, Stall No. 23 A/c No. 23/1 as on 01.04.2016 was required to be hiked by 10% due after lapse of 5 years i.e. from `1899 to `2088 but the hike was instead effected from 01.04.2017. As a result there was short realization of `190 plus ST/GST in the year 2016-17.

(c) Interest due on account of delayed payment as on 31.03.2018 in respect of Shri Ajay Maheshwari & Sanjay Maheshwari, Stall No. 22, Lower Bazar, Shimla Account No. 22 , worked out to `4004 as on 31.03.2018 whereas the same was indicated as Nil.

(d) Interest due on the outstanding demand of `2,83,805 as on 31.03.2016 in respect of Sh. Pankaj Sharma, Summerhill, Shimla A/c No. 132/3, Shop No. 3 worked out to `22704 as on 31.03.2017 but the same was instead indicated to be `22052 in the ledger thereby on the lesser side by `652 resulting in short realization.

(e) Interest due in excess of `18000 upto 31.03.2018 in r/o Shri Vikas Garg Bakery Shop No. 11, Sabji Mandi, A/c No. 367/1 has not been worked out in the ledger while the collection has not been received timely as the opening balance on account of Rent as on 1.4.2016 amounted to Rs. 126533 while there was subsequent demand for `126533 for

2016-17 and against both of these only collections of `47826 & `79962 were made on account of Rent vide Receipt No. 577850 dated 19.11.16& Receipt No. 598535 dated 15.03.17 resulting in closing balance of `125278 as on 31.03.17. Collections in 2017-18 i.e. `139186 was also received late i.e. vide Receipt No. 658604 dated 6.2.18. Interest may be calculated exactly at your end.

(iii) Collections overstated `0.60 lac.

Collection during 2016-17 in r/o Sh. Ajay Kumar, Shop No. 7 Kanlog, Shimla A/c No. 91/92 has been shown in the ledger as `439991 (Rent-Rs. 355427, ST `53315 & Interest `31249) against the actual receipt of `380000 (Rent-`304670, ST `45701& Interest `29629) and thus on the higher side by `59991 (Rent-`50757, ST `7614 & Interest `1620) resulting in short realisation and further calculation of interest on the lower side as the account was in arrears.

(iv) Non-production of record:

(a) Complete record in r/o the case of Shri Munish Arora, Shop No. 2, Summerhill A/c No. 126/3 allotted to him in 2014-15 for `111804 i/c approval of the house, justification for not increasing rent 10% due after 5 years i.e. due from 2015-16 onwards has not been shown to audit. This shop was previously allotted to Shri Jasbir Singh in whose case rent was `111804 upto 2013-14 i.e. the 4th year.

(b) Information regarding Shops which remained vacant / un-allotted, if any during the audit period i.e. between 01.04.2016 to 31.03.2018 but the same was also not supplied to audit. As such the position in this regard cannot be commented upon.

(c) Statement of shop rent outstanding as on 31.03.2018 was not supplied to audit.

(d) None of the entries recorded in the Ledger were found to be signed by the Dealing Official nor seen/ attested by any Supervisory Officer which may be got done invariably for future.

The Corporation was asked to address supply the information as above and/ or to address the above lapses during the course of audit vide Audit Memos No. 21 dated 30.03.22 & 53 dated 25.06.22 but no reply in this regard was received till the date of conclusion of audit. Hence, the amount short realised may be recovered from the concerned while the other lapses as above may also be got addressed under intimation to the audit.

12.8 Non production of income related record:-

(i) Water charges:-

SJPNL

During the audit despite several verbal and written reminders vide audit memo no. 5 dated 9/3/22, 29 dated 20/04/22, 39 dated 10/5/22, 50 dated 23/06/22, 55 dated 28/6/22, 57 dated 30/06/22 the record relating to receipt of water charges in selected months 03/2017 and 05/2017 was not provided due to which the required test audit in this regard couldn't be done. The record was neither provided by MC office nor by SJPNL office and during the visit of audit party for record to SJPNL office it was intimated to audit vide it's letter dated 22/06/2022 (**Annexure I-2**) that SJPNL was not in possession of such record. Non production of record is a serious irregularity. Hence, besides justifying it the related record may be provided during next audit. Matter is brought in the notice of higher authorities.

(ii) licence fee related record :-

CHO

During the audit the record relating to income realized from license fee in respect of sale of meat, fish, poultry within the MC limit during the audit period was sought vide audit memo no. 69 dated 16/07/2022, but same was not provided till the conclusion of the audit. Therefore, besides justifying it the related record may be provided during the next audit.

13. Expenditure:-

13.1 Irregular payment of `34.15 lacs to Advocates by Municipal Corporation without requisite approvals:

(i) As per information supplied to audit vide letter No. MCS/Addl.Commr (L)/Audit reply/2022-67 dated 02.04.2022, services of 11 Advocates were hired during the audit period as Standing Counsels but the approval of Law Department, Himachal Pradesh as conveyed vide their letters No. LR-E(9)-1/2013 dated 04.03.2013 and No. LR-E(9)-2/2013 dated 04.03.2013 shown to audit is in respect of 7 (3+4) advocates only. The approval of Law Department, Himachal Pradesh in respect of the remaining four Advocates who have been paid a sum of `4,55,000/- during the audit period as per detail given hereunder was also not shown to audit and as such the payment is irregular and may be got regularized with the ex-post facto approval of the Law Department, Himachal Pradesh now.

Sr. No.	Name of Advocate hired as Standing Counsel	Year	Amount paid (₹)
1.	Sh. B.R. Verma	2016-17	68000
		2017-18	72000
2.	Sh. PawanKeprate	2016-17	51000
		2017-18	54000
3.	Sh. Vijay Arora	2016-17	51000
		2017-18	54000
4.	Sh. SandeepDutta	2016-17	51000
		2017-18	54000
		Total	`455000

(ii) As per approval of the Law Department, Himachal Pradesh as conveyed vide letters referred to above, the final approval of Law Department after settling the Terms and Conditions of fees with the concerned advocates appointed as Standing Counsels was also required to be obtained but no such approval was shown to audit in the absence of which the entire sum of `28.29 Lacs paid to the seven Advocates during the audit period i.e. `13.89 Lacs in 2016-17 & `14.40 Lacs in 2017-18 is also irregular and needs to be got

regularized with the ex-post facto approval of the Law Department, Himachal Pradesh now.

(iii) In addition to above, the approval of the Government / orders of empanelment (with fees payable also indicated therein) in r/o Sh. Aditya Dhawan and Sh. Dinesh Kumar Thakur, Advocates whose services were hired for representing the MC before National Green Tribunal, and have been respectively paid a sum of `25,500 and `105000 during 2017-18 as per information supplied to audit, has also not been shown to audit which may be shown now so that the payment made could be checked accordingly.

MC authorities were asked to address the above discrepancies vide Audit Memo No. 32 dated 21.04.2022 which was replied to vide letter No. MCS/Assl.Commr(L) /Audit reply /2022-67 dated 02.04.2022 stating that MC Commissioner is duly empowered in this regard under Section 88 of the MC Act. The reply was not found satisfactory since despite the above the conditions as above were incorporated in the aforesaid approvals by the Law Department. Hence, the expenditure may now be got regularized with the approvals of Law Department, HP or got clarified in view of the contention as above and compliance reported to the audit.

13.2 Payment of `26.17 lacs as damages and interest due to late deposit of provident fund and allied dues [Voucher no. 990 of 03/2017 (Cash book Head:- 450-23-03), of `2617707/-] :-

AO

During the audit it was observed that an amount of Rs. 2617707/- was paid as damages and interest for late deposit Provident Fund and allied dues under section 14-B & 7Q of employees provident funds & Misc. Provisions Act, 1952 which is not only irregular but also against the instructions stipulated under rule 10 of HPFR, 2009 and is not a valid charge on the MC exchequer . The MC office was asked to justify about it verbally and vide audit memo no. 63 dated 11/07/2022 but it was not justified till the conclusion of the audit. Therefore, either this expenditure may be justified failing which either the same may be regularised with the sanction of the competent authority or may be recovered from appropriate source under intimation to audit. In addition to above if above sort of

expenditure was done out of MC fund in other months of audit period that may also be either regularized or recovered from appropriate source.

In addition to above the detail relating to pending Arbitrations/court cases in various courts along with the brief detail of their present position and the detail of losses incurred to MC exchequer on account of embezzlement, theft and penalties imposed during the audit period was also sought vide audit letter / requisition no. 93 dated 23/12/2021 but no information was provided to audit till the conclusion of the audit, however, keeping in view the irregularity observed / stated above the possibility of such instances cannot be ruled out. Hence, besides, justifying it the audit may be appraised with factual position in this regard alongwith relevant record during next audit.

13.3 Non-installation of High Mast Light for 4 years despite advance of ₹7.18 lacs on account of Deposit Work to HPSEBL, Shimla

R & B

As per BPV 2099 of March, 2017 a sum of Rs. 7,18,230 has been paid to Executive Engineer, City Electrical Division, HPSEBL, Shimla on account of installation of High Mast Light which was initially to be installed at Shimla Railway Station but later the location was changed to GSSS, Phagli near Nabha following objection by the Railways as they had already illuminated the place adequately from their own funds. But on perusal of the related file it was found that the same was not installed by 22.03.2021 i.e. even after elapse of 4 years when the last correspondence was exchanged with MD, HPSEB Ltd. in this regard vide letter No. MCS/COM/XEN/2028/e-gov/2019-21-980 dated 22.03.2021.

The Corporation was, therefore, asked to apprise about factual position in the matter vide Audit Memo No. 60 dated 06.07.2022 but no reply was received till the date of conclusion of audit. Hence, the factual position in this regard may be submitted in addition to the utilization certificate to the audit.

13.4 Establishment:

13.4.1 Pay, Allowances & Licence Fees

R & B

(i) Irregular grant of one increment to Assistant Engineer under Three Tier Pay Structure

Shri Rajesh Thakur, Assistant Engineer now XEN has been granted higher Pay Band & Grade Pay of 6600 on completion of 4 years service under Three Tier Pay

Structure applicable to the Assistant Engineers & others granting him the benefit of GP plus one increment vide O/O No.MCS/JC/EA/2018-2506 dated 17.07.2018 initially w.e.f. 19.07.2017 which was subsequently revised to 01.01.2018 vide O/O No. MCS/AaAa/2831/RB/2019-20-690 dated 04.03.2020. But as per clarification issued by the Finance (Pay Revision) Department vide letter No. Fin(PR)-B(7)59/2010-Loose dated 29.12.2015 he was not entitled for the increment granted as he had already received three financial up-gradations / enhancements prior to the above benefit becoming due viz- 8th year ACPS benefit w.e.f. 01.04.2007 vide O/O No. MCS/EA/2011-2460 dated 08.09.2011, higher Pay Band & Grade Pay of `15600-39100+ 5400 .e.f. 01.10.2012 on completion of 10 years of service as per Finance (Pay Revision) Notification No. Fin(PR)B(7)/64/2010 dated 27.09.2012 both as Junior Engineer and subsequently the benefit of promotion to the post of Assistant Engineer w.e.f. 19.07.2013 vide O/O No. MCS/EA/2195/Con/13-2276 dated 19.07.2013. This has, therefore, resulted into overpayment of **`2490 plus DA & IR during the audit period i.e. upto 31.03.2018** worked out as under but has continued beyond the audit period. The actual amount of up-to-date recovery may, therefore, be worked out exactly at your end and recovered from the concerned while it may also be seen whether the recovery for the period w.e.f. 19.07.2017 to 31.12.2017 had been effected previously or not:

Period of Overpayment	Pay drawn (`)	Pay Due (`)	Difference (`)	Overpayment upto 31.03.2018 done now recoverable (`)
01.01.2018 to contd. 4+ years	22900+ 6600	22070+6600	830	`2490+DA & IR

(ii) Irregular grant of benefits under 4-9-14 Assured Career Progression Scheme

(A) The following officials have been granted the Higher Grade Pays alongwith one increment as 4th or 9th year benefit under 4-9-14 Assured Career Progression Scheme in contravention of clarification issued by Finance (Pay Revision) Department vide letter No. Fin(PR)B(7)-59/2010 Loose dated 03.11.2016 while they had already received one or two financial enhancements prior to completion of 4/ 9 years of service and were, therefore,

R & B
CHO

not eligible for the 4th/ 9th year benefit under ACPS. This has resulted into overpayment as per indicative detail given hereunder while the exact recovery may be worked out at your end and recovery effected from the concerned now:

Sr. No.	Name & Designation	Date of joining	Date of grant of 4 th / 9 th year benefit a/w Office Order Reference	Pay Drawn/ Pay due and overpayment per month (₹)	Period and amount of overpayment (₹)
1.	Sh. Anil Kumar S/o Shri Ram Lubhaya, Safai Karamchari HEALTH DEPTT.	12.01.2009	13.01.2013 (4 th year)No. MCS/EA/2015/2783 dated 05.08.2015 **	5930+1800=7730 5710+1650=7360 `370 +DA, IR etc	5 years w.e.f. 13.01.2013 to 12.03.2018(if 9 th year benefit is otherwise due)
Higher Grade Pay of Rs. 1650 granted w.e.f. 01.10.2012 as a result of which 4th year benefit stood subsumed					
2.	Sh. Het Ram S/o Sh. Kalu Ram, Majdoor ROAD & BUILDING DEPTT	01.04.2004	01.04.2013(9 th year)No. MCS/EA-U-3/1031/AC(L)-543/2016-1930 dated 30.05.2016 r/w pay fixation order No. MCS/Gen/EA/16-4268 dated 27.10.2016	7330+1650=8980 7060+1650=8710 `270 +DA, IR etc.	5 years w.e.f. 01.04.2013 to 31.03.2018(if 14 th year benefit is otherwise due)
3.	Smt. Gomati w/o Sh. Bhungar ROAD & BUILDING DEPTT	01.04.2004	01.04.2013(9 th year)No. MCS/AC/EA/9448/ Mukhya-a6/2017-245 dated 21.01.2017	7330+1650=8980 7060+1650=8710 `270 +DA, IR etc.	
4th year benefit granted w.e.f. 27.08.2009 and Higher Grade Pay of `1650 granted w.e.f. 01.10.2012 as a result of which 9th year benefit stood subsumed					

Notes** (i) It is also pertinent to add here that the large scale discrepancies in the pay fixations covered under the orders dated 05.08.2015 referred to above have also been pointed out in the previous Audit & Inspection Report for the year 01.04.2014 to 31.03.2016 vide **Para 14.1 (G)** but still the above case was left out meaning thereby that all the cases have not been reviewed to date at the end of Municipal Corporation which may be done now.

(ii) The case of Shri Kamal S/o Shri Deep Chand, Safai Karamchari whose case is similar to Sr. No. 1 above may also be reviewed on the above lines since the entries of the pay have been overwritten in the Service Book and recovery, if any effected may be either shown to audit or may be done now.

13.4.2 Grant of ACPS benefits without the approval of DPC etc.

R & B

(i) It was observed during the course of audit that the following officials of Roads & Buildings have been granted the 14th year benefit under 4-9-14 Assured Career Progression Scheme without the approval of the Departmental Promotion Committee (DPC) which is violation of Clause 4(l) of the Finance(Pay Revision) Department instructions issued in this behalf vide letter No.Fin (PR)B(7) 59/2010 dated 09.08.2012 and amounts to grant of the benefit without the assessment of the work and conduct of the concerned officials as provided under Clause 4 (b) of the said instructions. This departure from rules needs to be looked into seriously and benefits granted may be got regularised with the approval of DPC etc. and instructions may be issued to all concerned to strictly adhere to the instructions in this regard in future as this may also result into overpayment in case the DPC decides otherwise:

Sr. No.	Name & Designation <u>All from Road & Building Branch</u>	Date of grant of the benefit
1.	Sh. Sunder Lal s/o Sh. Mathu Ram, Majdoor	01.01.2018
2.	Sh. Ram Lal s/o Sh. Nand Lal, Majdoor	01.01.2018
3.	Sh. Sewak Ram s/o Sh. Dhingu Ram, Majdoor	01.01.2018
4.	Sh. Kasturi s/o Sh. Ram Lal, Majdoor	01.01.2018
5.	Sh. Ram Dass s/o Sh. Karam Dass, Majdoor	01.01.2018
6.	Sh. Manoj Kumar s/o Sh. Brij Mohan, Majdoor	01.01.2018

(ii) Moreover, as per Office Order No. MCS/Sanyu.AA./EA/2019-4024 dated 09.09.2019 at Sr. No.4, Sh. Sanjay Narwal S/o Sh. Durga Singh Narwal, Majdoor (**Roads & Buildings Branch**) was granted the 14th year benefit under 4-9-14 Assured Career Progression Scheme benefit w.e.f. 01.04.2018 but the same has been indicated in the service book as w.e.f. 01.01.2018 though the same was due w.e.f. 01.01.2018 but still the prescribed procedure of Corrigendum cannot be bypassed to do the necessary correction.

Needful may be done now and compliance reported to audit since it otherwise involves overpayment for three months.

13.4.3 Irregularities noticed in the grant of Higher Grade Pays

GENERAL

(i) As per entries recorded at **Page-16** of Service Book Shri Shankar Lal S/o Shri Dhani Ram, Majdoor (General Branch) who had joined on was 01.04.2002 has been granted Grade Pay of `1800 w.e.f. 01.10.2012 irregularly while the same was not due in his favour since the re-revised Grade Pay due w.e.f. 01.10.2012 was `1650 which he was already drawing having received the same as 9th year benefit under 4-9-14 Assured Career Progression Scheme w.e.f. 01.04.2011. This has, therefore, resulted in overpayment to the tune of `0.06 lacs +DA & IR worked out as under while the exact recovery may be worked out at your end and effected from the concerned:

Name & Designation	Date of grant	Higher Grade Pay Drawn & Due & Difference	Period of overpayment	Overpayment now recoverable including DA & IR ()
Shri Shankar Lal S/o Shri Dhani Ram, Majdoor GENERAL BRANCH	01.10.2012	`1800 `1650 `150	3Years 6 Months i.e. upto 31.03.2016 when 14 th year benefit under ACPS became due	6300 +DA & IR

(ii) The following officials have been granted the Higher Grade Pays due in their favour after two years of service from the first of the month in which they completed two years of service instead on actual completion of the same resulting in overpayment of `1151 worked out as under:-

Name & Designation	Date of joining & completion of two years service	Higher Grade Pay Drawn & Due	Period of overpayment	Overpayment now recoverable including DA & IR ()
Sh. Dharam Chand S/o Lt. Sh. Ram Chand, Peon	20.07.2015 20.07.2017	`1650 `1300	19 days	538
Sh. Mehar Chand S/o Lt. Sh. Devi Ram, Driver	21.07.2015 21.07.2017	`2400 `2000	19 days	613

			Total	1151
--	--	--	--------------	-------------

(iii) Ms. Meenakshi D/o Lt. Sh. Ved Prakash, Clerk on contractual basis was paid annual increases from 1st of the month in which she completed one year of service instead of actual completion of one year of service besides being paid the same on cumulative basis while the same was admissible at the fixed rate of `234 per month. Thus, she has been overpaid a sum of `163 as per detail given in the following table:-

Sr. No	Name & Designation	Date of Joining	Due Date of Annual Increase	Annual increase actually paid w.e.f.	Annual increase at the rate of ()	Amount overpaid now recoverable ()
1.	Ms. Meenakshi D/o Lt. Sh. Ved Prakash, Clerk	11.09.2017	11.09.2018 11.09.2019	10.09.2018 10.09.2019	234	85 78
Total						163

13.4.4 **Discrepancies noticed in Service Books of those retired during audit period:**

Retirement benefits released without effecting the recoveries of salary overpaid from the dues of the retirees despite assurance to UD in this regard

It has been found during the test check of service books of those retired during the audit period i.e. between 01.04.2016 to 31.03.2018 that the pay of the following two officials who have retired on superannuation were fixed downwards retrospectively prior to retirement / release of their retirement benefits but there is no corresponding reference of the recoveries effected from them in the Service Book nor the same has been shown to audit despite being asked verbally in this regard. The recovery was due as per indicative detail given hereunder and the record related thereto may either be shown to audit or the same be effected now and compliance shown to audit in due course. It is, however, pertinent to add here that Director, Urban Development had cleared their retirement benefit cases only on the assurance of the Corporation that the recoveries due will be effected from the retirement benefits of the concerned but still no action was taken which is a serious lapse and calls for action against those at fault.

Name & Designation a/w date of retirement	Period of downward revision	<u>Pay drawn</u> at the beginning and end of the revision period	<u>Pay due</u> at the beginning and end of the recovery period	Difference per month at the beginning and end of the recovery period	Remarks

				()	
Pay revised downwards vide Office Order No. MCS/GEN/EA/2016-1316 dated 01.06.2016					
Smt. Anita Sharma, Supdt. Grade-II DOR-31.08.2016 GENERAL	01.01.2006 to 31.05.2016 (10 years & 5 Months)	11540+2800=1 4340 19400+4800= 24200	11540+2400=13 940 18520+2800=23 320	`400 `880 plus DA & IR etc.	Retirement benefits released
Pay revised downwards vide Office Order No. MCS/EA/2017-2541 dated 14.06.2017					
Sh. Suraj Mani Sharma, Senior Assistant DOR: 28.02.2017 GENERAL	01.07.1996 to 28.02.2017 (20 years & 8 Months)	4140 17050+4400=2 1450	4020 16470+4400=20 870	`120 `580 plus DA & IR etc.	Retirement benefits released

13.4.5 Discrepancies noticed in Service Books of those retiring between 01.04.2022 to 31.03.2024

Overpayment of due to wrong fixation at the the time of grant 8th year proficiency step up under 8-18 Proficiency Step up

Sh. Manohar s/o Sh. Durga, Safai Karamchari now Safai Jamadar (DOR-31.08.2022) who had joined service on 09.08.1985 and completed 8 years of service on 08.08.1993 drawing `920 and was due for one increment on 09.08.1993 under the then 8-18 Assured Career Progression Scheme, (ACPS) and had to be fixed at `950 but was instead fixed at Rs. 985 i.e. at a stage a step higher and this benefit of additional increment continues to date i.e. for close to 29 years resulting in overpayment as per indicative detail given here under:-

Name & Designation	Date of Joining/ Date of grant of 8th year benefit under 8-18 (ACPS)	Period of overpayme nt	Pay drawn at the beginning & end of the overpayment period ()	Pay due at the beginning & end of the overpayment period ()	Difference ()
Sh. Manohar s/o Sh. Durga, SafaiKaramchar i now Safai Jamadar HEALTH	09.08.1985	09.08.1993 to 28.02.2022 (28 Years 6 Months & 22Days)	985	950	35
	09.08.1993		16780+1900	16240+1900	540 Plus DA,IR & HRA

DEPTT					
-------	--	--	--	--	--

13.4.6 Overpayment due to grant of increment w.e.f. 01.01.2017 on the higher side by `980 per month

Sh. Lal Chand s/o Sh. Lachhi Ram, Majdoor (DOR-28.02.2024) of **Roads & Buildings Department** was wrongly awarded annual increment due on 01.01.2017 on the higher side by `980. This has, therefore, resulted into overpayment of `**0.65 Lacs+DA & IR** upto 28.02.2022 worked out as under while the exact recovery may be worked out at your end:

Name & Designation	Stage of pay as on 01.01.2016	Date	Pay Drawn ()	Pay Due ()	Difference ()	Period of overpayment	Amount overpaid now recoverable ()
Sh. Lal Chand s/o Sh. Lachhi Ram, Majdoor ROADS & BUILDINGS DEPTT	10260+1900	01.01.2017	11610+1900	10630+1900	980	12M	11760
		01.01.2018	12020+1900	11010+1900	1010	12M	12120
		01.01.2019	12440+1900	11400+1900	1040	03M	3120
		01.04.2019	12870+1900	11800+1900	1070	09M	9630
		01.01.2020	13320+1900	12220+1900	1100	12M	13200
		01.01.2021	13780+1900	12650+1900	1130	12M	13560
		01.01.2022	14250+1900	13090+1900	1160	02M so far	2320
					Total	62 Months	65710+DA & IR etc.

13.4.7 Overpayment of `0.10 lac +DA & IR due to irregular grant of higher GPs than admissible under 4-9-14 ACPS

(i) Shri Swaran Pal s/o Shri Udho Ram, Safai Satff (DOR-31.01.2023) who joined service on 01.06.2011 has been irregularly granted Grade Pay of `1900 as 9th year benefit under 4-9-14 ACPS while the Grade Pay of `1650 alone was due in his favour. This has, therefore, resulted into overpayment of `**0.05 Lacs +DA & IR** upto 28.02.2022 worked out as under while the exact up-to-date recovery may be worked out at your end:

Name & Designation	Date of Joining/ Date of grant of 9 th year benefit	Pay Drawn/ Pay due/ Difference	Period of overpayment	Amount overpaid now recoverable
Shri Swaran Pal s/o	01.06.2011	7180+1900	01.06.2020 to	5250 +DA & IR

Shri Udho Ram, Safai Staff HEALTH DEPTT	01.06.2020	7180+1650 250	28.02.2022 (21 Months so far)	
------------------------------------------------------	------------	------------------	----------------------------------	--

(ii) Similarly Shri David, S/o Sh. Sardara, Safai Staff (DOR-30.09.2023) has been granted Higher Grade Pay of Rs. 2000 w.e.f. 27.08.2009 while the same was not due in his favour which was continued upto 31.12.2016 as per Service Book. This has, therefore, resulted into overpayment of `0.05 lac +DA & IR worked out as under- the exact recovery may, however, be worked out at your end while it is also added that no orders have been cited in support in the Service Book and it cannot be ruled out that ACPS benefits are being given without approval of DPC.

Name & Designation	Date of grant of year benefit	Pay Drawn/ Pay due/ Difference	Period of overpayment	Amount overpaid now recoverable
Shri David, S/o Sh. Sardara, Safai Staff HEALTH DEPTT	27.08.2009 (Notional) 09.08.2012 (Financial)	7970+2000 7970+1900 100	09.08.2012 to 31.12.2016 (4Years, 4months & 23 days))	5274 +DA & IR

(iii) Smt. Sharda w/o Sh. Chatur Dev, Safai Karamchari (DOR-28.02.2023 DOJ-08.04.1997) has been overpaid w.e.f. 01.01.2006 as on revision of pay scale she was entitled for pay of `6400+1300 (her pay as on 31.12.2005 being Rs.3440) but has been paid `6610+1400 instead by granting her the benefit of 8th year under 8-16-24-32 ACPS w.e.f. 01.01.2006 which was not due in her favour from the said date in view of her Leaves without Pay of 272 days availed on 17.04.2004, 15.09.2004 and then w.e.f. 06.04.2005 to 31.12.2005. Moreover, subsequent benefits under 4-9-14 ACPS have also been granted to her by ignoring the LWPs as above besides subsequent LWP of 31 days availed w.e.f. 29 to 31.03.2012 (3days), 16.04.2012 to 30.04.2012 (15 days) & 07.05.2012 to 19.05.2012 (13 days). Moreover, her annual increments have also not been regulated as per FR-26 in view of her long spells of LWP. All these have resulted into overpayments which may be exactly got worked out at your end. Her Leave Account may also be got recast in view of the LWPs availed.

13.4.8 Quarantine period treated irregularly as Duty instead of Leave of kind due

GENERAL Smt. Seema Chauhan w/o Sh. Munish Chauhan, Senior Assistant {Date of retirement-31.08.2022} remained under quarantine w.e.f. 10.12.2020 to 31.12.2020 due to Covid-19 as per entry recorded in her Service Book and the said period of her absence has been treated as duty under Department of Personnel instructions issued vide No. Per (AP-B)B(15)-19/2020 dated 29.06.2020 but the said instructions had been superseded vide instructions of the even No. dated 26.11.2020 as per which the regular employees had to apply for the leave of the kind due in case of quarantine. As such, her period of absence needs to be regularized by grant of leave. Similar situated cases of other employees who remained on quarantine on or after 26.11.2020 may also be reviewed after consulting the Attendance Registers.

Municipal authorities were asked to explain the above lapses vide Audit Memo No. 16 dated 25.03.2022 but no reply was received till the date of conclusion of audit. Hence, all of these may be attended to now and compliance reported during next audit.

13.5 House Rent Allowance & Licence Fees:

(i) Overpayment of HRA to Sh. Ramesh Thakur s/o Sh. K.D. Thakur, Supervisor now Technician Grade-1 `0.69 lac.

GENERAL R & B It was found during the course of audit that Sh. Ramesh Thakur s/o Late Shri K.D. Thakur, Supervisor was being paid HRA during audit period while his wife namely Smt. Smt. Shashi Thakur, the then Senior Assistant now Superintendent who is also an employee of this Corporation had been allotted Type II accommodation vide Office Order No. ननिशि/सहा.सा/आ.स/2012-4265 dated 12.10.2012. This payment continued w.e.f 01.11.2012 to 31.08.2017 resulting in irregular payment of Rs. 69200 which was also verified during the course of audit from pay bills. The Corporation has also replied that the recovery thereof will be made over a period of two plus years @ `2500 per month. Audit may, therefore, be apprised when full recovery is completed.

(ii) Licence Fees-

(a) **Short realization `0.94 lac**

During test check it was found that there were short realization on account of Licence Fees in the following cases:

GENERAL
R & B

Sr. No.	Name of Employee	Type of Accommodation & rate of Licence Fees due & charged	Period of non/ less deduction	Amount Due (₹)	Amount Recovered (₹)	Amount now recoverable
1.	Sh. Suresh Kumar, Assistant Secretary (Retired on 31.08.2021 Accommodation vacated on 31.03.2022)	IV @ `898p.m. Charged @ `228p.m. Difference `670 p.m. & `898 p.m.	01.04.2014 to 31.08.2021 89 months	79922	20292	59630
			01.09.2021 to 31.12.2021 4 months	3592	Nil	3592
			01.01.2022 to 31.03.2022 3months	21552	Nil	21552
		Due @ 8 times of `898 i.e. @ `7184 p.m. as per proviso below Rule 10 of Himachal Pradesh Allotment Of Government Residences (General Pool) Rules, 1994				
			Sub total	105066	20292	84774
2.	Sh. Basti Ram s/o	I @ `106 p.m./ Rs. 106	01.01.2009 to 31.12.2015 84 months	8904	Rs. 8904 from salary of April, 22 paid in May, 22 during the course of audit	Nil
			Sub total	8904	8904	
			Grand Total	113970	29196	84774

(b) **Other lapses:**

(i) DDO verification from the concerned departments in couple cases whose spouses are posted in other government / semi-government offices in Shimla or nearby regarding drawl

of HRA / allotment of accommodation to the spouse by the said office has also not been shown to audit in the absence of which it could not be ascertained whether the said cases have actually been dealt with as per rules. The same may be obtained now and shown during next audit.

(ii) Audit had also sought clarification in the following cases where the employees were neither being paid HRA nor licence fees was being deducted from their pay. Further, their names were also not there in the couple cases:

Name of the Department : Health		
Sr. No.	Name & Designation of the employee	Ward No. indicated in the Pay bill
1.	Sh. Shammi s/o Sh. Ram Lal	9-C
2.	Sh. Ashok s/o Sh. Fauja Ram	9-C
3.	Sh. Vijay Kumar s/o Sh. Dass	CPWD
4.	Smt. Raj w/o Sh. ShyamLal	CPWD
1.	Smt. Jaswir w/o Sh. Naresh	Ward No. 1
2.	Sh. Raghuwir s/o Sh. Rakha Ram	Ward No. 2
3.	Smt. Surekha w/o Sh. Kuldeep	Ward No. 2
4.	Sh. Pragun s/o Sh. Jawala	Ward No. 3
5.	Smt. Saroj w/o Sh. Ravinder	Ward No. 5

(iii) Type 1 Set which is otherwise allotted to Class IV employees was allotted in favour of Smt. Usha Chauhan, Clerk w.e.f. 30.08.2017 but the house is stated to be under repair since i.e. for 5 years which has resulted into revenue loss on account of HRA & Licence Fees. It may, therefore, be explored that if this set can be allotted to some eligible Class IV employee after minor repair at least property can be put to good use.

Since incomplete information was supplied to audit vide letter No. MCS/AO/LAD/04/2016-03/2018/2022-844 dated 29.04.2022 despite Audit Memo No. 15 ted 23.03.2022 a complete review is required to be undertaken at the MC level in this regard as chances of further overpayments of HRA, non/ short realization on account of licence fees cannot be ruled out. Moreover, it is also a serious internal

control failure and all in the channel also need to be censured to bring about improvement.

13.6 Irregular grant of benefit of regularisation retrospectively to 358 No. of Daily Wagers without creation of required supernumerary posts:

R & B
GENERAL

As per information supplied to audit vide letter No. MCS/AO/LAD audit/04/2016-03/2018/2022-1315 dated 24.06.2022 **Annexure-“Q”** in response to Audit Memo No. 13 dated 15.03.2022 it was found that **358 No. of Daily Wagers** have been regularised during the audit period retrospectively in line with orders of Hon'ble High Court in CWP 2415 of 2012 Mathu Ram Vs. MC but there were no corresponding vacant posts available against which they could be considered for regularization and as such the creation of matching number of supernumerary posts was required. Still all the Daily Wagers involved were regularized retrospectively and also paid arrears of lacs of rupees. The exact amount of the extra financial burden involved could not be known as the information in this regard was not supplied to audit by the Accounts Branch despite being asked for vide Audit Memo referred to above. The retrospective regularization in the absence of corresponding supernumerary posts may, therefore, be justified to audit or the same be regularised with the creation of supernumerary posts and compliance should be shown to the audit at the earliest.

13.7 Suspected irregular appointment of Ms. Purnima Chauhan, Research Officer and Mr. Sunny Tanwar, Research & Training Officer and frequent hikes in salary to them without completion of codal formalities:

PD

It has been observed during test check of expenditure voucher of the Project Cell (BPV-35 & 36 dated 17.03.2017 related to salary of the staff of the Project Implementation Unit, Bank Code 450-62-04) that the salary of Ms. Purnima Chauhan, Research Officer, Mr. Sunny Tanwar, Research & Training Officer have been paid @ Rs. 15000 per month per person in 03/2017 (Payment made @ `13500 per month after TDS @10% vide BPV No. 35 & 36 dated 17.03.2017) which has been subsequently hiked to `30,000 per month per person as was noticed in the month of 8/17 (Payment made @ `28500 per month after TDS@10%BPV No. 10 & 11 dated 22.08.2017). On inquiring

from the Project Cell in the matter it has been found that both the above named officials alongwithone Mrs. Pooja Sharma, Social Development Officer were initially hired through Consultant firm namely M/S Ramko Enviro Engineer under PIU/PMU upto 16.10.2014 and were being paid @ Rs. 15000 per month by the said firm as per record. As the BSUP (Basic Services to Urban Poor) project was extended upto 31.03.2015 the contract with the said consultant firm was also extended upto 31.03.2015 to facilitate the extended service of these experts to MC, Shimla which was approved by the house of the Municipal Corporation, Shimla vide Resolution No. 3(22) in its 6th Meeting held on 30.09.2014. Subsequently these two experts namely Ms. Purnima Chauhan, Research Officer, Mr. Sunny Tanwar, Research & Training Officer were retained from the PIU@ `15000 per month per person **directly instead of through the above consultant firm** and cost was proposed to be borne from the balance funds under PIU and approved by the MC house vide resolution No. 3(10) in its 1st (suspended) meeting held on 29.05.2015 **which amounts to direct hiring of the officials by the MC**. Further, their services were shifted to Ashiana-II upto 31.12.2015 with the approval of the house vide resolution No. 3(11) in its 7th meeting held on 28.10.2015 and then to Ashiana-1 upto 31.03.2017 following extension of the JNNURM for BSUP (Basic Services to Urban Poor) & IHSDP by two years upto 31.03.2017 and the expenditure was proposed to be borne from the interest accrued on funds under Ashiana-1 and approved by MC house vide Resolution No. 3(17) in its 9th meeting held on 29.12.2015. The primary reason for continued re-engagement has been stated to be non-completion of the allotment process of dwelling Units to Urban Poor.

The salary of the above staff have been subsequently hiked to `30,000/only per month per person with the approval of the house vide Resolution No. 3(15) in its 3rd meeting held on 29.05.2017 on the analogy that the salary for Research Officer and the Research & Training Officer approved for PIU under JNNURM is `30,000 per month.

The taking over of their services directly by MC though under the Project instead of through the outsourcing firm prima facie appears to be irregular and audit, therefore, vide Audit Memo No. 68 dated 15.07.2022 sought the following but the same was not provided before the conclusion of audit:

1. Guidelines of the Projects/ MC which permit hiring by the MC in the manner as done above.
2. Sanctioned posts in the projects/PIU against which the above appointments were made may be shown to audit?
3. Codal formalities completed prior to direct engagement of the above two officials in the manner indicated as above.
4. The terms of appointment of the above appointed personnel.
5. What is the present status of these appointees?
6. Whether any approval of the funding agency/ government obtained in the matter?
7. JNNURM guidelines on the analogy of which hike has been granted were also requisitioned for perusal by audit besides approval of the funding agency, if any obtained for the purpose.

Hence, the matter may be examined as a whole at your end and the taking over of their services directly by MC instead of through the outsourcing firm and frequent hikes at regular interval as above may be justified to audit as per rules and codal formalities prescribed in this regard or action may be taken as per Rules in order to avoid any legal complications entailing huge financial implications for the MC exchequer.

13.8 Irregular grant of Casual Leave to outsourced employees

GENERAL It has been found during the course of audit that Outsourced personnel of the Municipal Corporation have also been allowed Casual Leave during the audit period as per Casual Leave Register but as per policy instructions issued by Finance (Regulations) Department vide letter No. Fin-(C)-B(15)-8/2013 dated 01.07.2017 there is no corresponding provision for Casual Leave to the said staff. As such, Corporation authorities were asked to justify the grant of Casual Leave vide Audit Memo No. 24 dated 06.04.2022 but no reply in this regard was received till the date of conclusion of audit. Hence, the same may be justified with supporting instructions etc or the same may be discontinued forthwith.

13.9 Non-production of record:

It was stated by MC vide letter No. MVS/EA/2022-816 dated 02.04.2022 in response to Audit Memo No. 4 dated 09.03.2022 that administrative charges to Service

GENERAL

Providers were also being paid as per **rates approved by government** of HP but the copy thereof asked for vide Audit Memo No. 24 dated 06.04.2022 was not provided to audit. As such the same could not be verified. Hence, the same may be shown during the course of next audit.

14. Pension:

14.1 Overpayment of `1.88 lacs plus DA & IR on account of Family Pension due to continued payment of Family Pension at enhanced rates to spouse(s) after death of pensioner(s) even after seven years from the date of their pre-mature retirement:

AO

As per provision contained under Rule 54(3)(a)(ii) of the CCS (Pension) Rules, 1972 the Family Pension at enhanced rates is payable upto seven years from the date of retirement or upto 65 years of age of the deceased pensioner whichever is earlier. But it has been found during the scrutiny of pension cases in audit that as per PPO No. 885/2009-10 read with entries recorded at Page-50 & 51 of Pension Ledger-6-Vol-I and subsequent entries at Page-34 of Pension Ledger-6-Vol-II Shri Mahipal, Safai Karamchari (DOB-23.02.1961) who had retired prematurely from service on 21.04.2008 died on 20.11.2013 and his wife Smt. Rani has been paid Family Pension at the enhanced rate of `5075 per month w.e.f. 21.11.2013 upto 31.10.2020 and subsequently at the normal rate of `3500 per month though the Family Pension at the enhanced rates was payable only upto 20.04.2015 i.e. seven years from the date he retired. Similarly, as per PPO No. 1152/2012-13 read with entries recorded at Page-116-117 of Pension Ledger-7-Vol-I and subsequent entries at Page-73 of Pension Ledger-6-Vol-II Shri Thakur Singh, Safai Karamchari (DOB-28.09.1955) who had retired prematurely from service on 30.06.2012, died on 20.06.2014 and his wife Smt. Rajo has been paid Family Pension at the enhanced rate of `8370 per month w.e.f. 06.08.2014 upto 31.08.2021 and subsequently at the normal rates i.e. `5022 per month while the same was admissible to her at the enhanced rates only upto 30.06.2019 i.e. for 7 years from the date the deceased pensioner retired.

As a result of the above, there has been overpayment to the tune of `188175 plus DA & IR as per detail given in the following Table:

Name of the Family Pensioner	Family Pension paid at enhanced rates	Family Pension admissible at normal rates	Difference (₹)	Period for which overpaid	Overpayment now recoverable
	(₹)	(₹)	(₹)		(₹)
Smt. Rani w/o Sh. Mahipal	5075	3500	1575	21.04.2015 to 31.10.2020 i.e. 5Years 6Months & 10 days	`1,04,475 plus DA & IR
Smt. Rajo w/o Sh. Thakur Singh	8370	5022	3348	01.07.2019 to 31.08.2021 i.e. 2 years and 1 month	`83700 plus DA & IR
Total					`188175 plus DA & IR

Municipal authorities were asked to explain the above lapse vide Audit Memo No. 3 dated 8.3.2022 to which they replied vide their letter No.MCS/Accounts Baranch/2022-1197 dated 03.06.2022 admitting the lapse as above and stating that the recovery has been started from monthly pension while the amount overpaid will also be adjusted against arrears of revision of pension. Compliance may be reported to audit on completion of recovery while other similar cases may also be identified for similar action at your end.

14.2 Suspected overpayment of Family Pension in case of the pensioners in receipt of more than one pension due to application of the floor ceiling of `0.035 lac to individual pensions instead of after clubbing together all the pensions

(i) Rule 5 of the Finance (Pension) Department Office Memorandum No. Fin(Pen)A(3)-1/09-Part-II dated 14.10.2009 (pertaining to pre-2006 pensioners) provides as under:

“Where the consolidated pension/family pension in terms of paragraph 4.1 above works out to an amount less than `3500 the same shall be stepped upto `3500. This will be regarded as pension/ Family Pension w.e.f. 01.01.2006. In the case of pensioners who are in receipt of more than one pension, the floor ceiling of `3500 will apply to the total of all pensions taken together”

But it has been observed that the same is not being adhered to in the Corporation as has been noticed during test check in the cases of Smt. Prito w/o Late Sh. Rattna (**Ledger-9, Page-82 & Page-259**) & Sh. Shyam Lal Husband of Late Smt. Salochana (**Ledger-6 Page-64 & Page-139**) who were in receipt of two pensions and the normal family pension due to them in respect of their respective spouses was stepped upto `3500 per month irregularly in contravention of the above cited Rule while their own pensions were already in excess of `3500 per month.

Municipal authorities were asked to explain the above lapse vide Audit Memo No. 3 dated 08.03.2022 which they replied to which they replied vide their letter No.MCS/Accounts Baranch/2022-1197 dated 03.06.2022 admitting the lapse as above stating that the matter has been referred to government for clarification and further action will be taken accordingly. Audit may, therefore, be apprised of the final action taken while other similar cases may also be identified for similar action, if the payments are found to be irregular/ on the higher side post clarification from government.

(ii) Pension Ledgers shown to audit have also been found to be unsigned by anyone including any supervising authority which may be ensured invariably for future.

15. GPF Accounts

It has been found during test check that GPF subscribers have been paid interest @ 4% for the last year of their subscription to the General Provident Fund at the time of final payments and no subsequent payments for the balance interest as per the rate(s) of interest declared by the government and adopted by the Municipal Corporation have been made to them and thus depriving them of their legitimate dues. This needs to be looked into urgently in the interest of the subscribers besides to avoid any adverse legal action which may also involve some monetary penalty(ies). It is pertinent to add here that this lapse had also been pointed out vide Para No. 15 in the previous Audit Report for the period 01.04.2014 to 31.03.2106 but still the practice persists.

Municipal authorities were asked to explain the above lapses vide Audit Memo No. 16 dated 25.03.2022 but neither any reply nor an assurance was received till the date of conclusion of audit. Hence, the needful may be done now in the interest of MC employeeess

16. Works:-

16.1 “Construction / improvement of link rod from NH.22 to village Shanan under CSR initiative RD 0/0 to 0/870 in ward no. 20.” (Bill no. 1st to & 2nd running bill, ₹12952920/-(Gross amount of 2nd Running bill).

Name of contractor: - Sh. Surjeet singh.

Award letter: - MCS/XEN/2951/RB/14 -1527, Dated 11/07/2016.

Awarded amount :- 14981819/-

R & B

Pg 102 - 107

Measurement book No. :- 2372/1062, 2337/1027 and 2412/1102.

During the audit of above work bills in detail following irregularities were observed :-

(i) Not deduction of royalty ₹3.14 lacs

While checking the bills it was observed that sand, aggregate, stone etc. were used in items during the execution of work but the royalty amounting to ₹314695/- as detailed in **Annexure “J”** has not been deducted as directed under Himachal Pradesh miner minerals (concession) and minerals (prevention of illegal mining, transportation, storage) rules 1915. Municipal Corporation office was asked to justify the non-deduction of royalty amount vide audit memo no. 49 dated 21/06/2022 and reply submitted in response to this vide letter no. MCS/XEN/RB/2022-3948 dated 11/07/2022 by MC office was not found satisfactory. Therefore, either amount of royalty amounting to ₹3144695/- may be recovered from appropriate source after verifying the same at your end or failing which same may be got condoned with the sanction of competent authority under intimation to audit.

(ii) Overpayment of ₹0.17 lac due to non deduction of quantity equivalent to the volume of weep holes of 100 mm :-

During the audit it was observed that the payment was released to the contractor in respect of item no. 6 [Random rubble masonry = 1428.66 cub mx 3300= 4714578/-,(Page no. 24, MB No. 2372/1062, 2nd bill R bill) without deducting the quantity equivalent to

the volume of weep holes of 100 mm which resulted in overpayment of `17843/- [5.407 Cubmx3300/- rate per cubm]to the contractor due to this. Municipal Corporation office was asked to justify this overpayment of `17843/- verbally and vide audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit, therefore, either overpayment may be justified or the `17843/- may be recovered from appropriate source under intimation to audit.

Volume of weep holes = 5.407 cubm((22/7 X 0.05 X 0.05X 688.20 m (length of weep holes), refer MB No. 2372/1062, page no. 26}

(iii) Overpayment of `0.24 lac on account of wrong calculation of record entries in measurement book :-

While checking the record entries in measurement books overpayment of `24477/- was observed due to wrong calculations of quantities of various items as detailed below in table. Municipal corporation office was asked to justify this overpayment of `24477/- verbally and vide audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit, therefore, either overpayment may be justified or `24477/- may be recovered from appropriate source under intimation to audit.

Measurement book / page no.	Item / item no.	Quantity shown in measurement book (A)	Actual quantity (B)	Excess quantity (A-B)	Excess payment (Rs.)
2337 /1027 / 10	Cutting in earth work / 1	3397.59 cum	3363.09 cum	34.50 cum	16388/- (34.50 cum x 475/- per cum)
2337 /1027 / 97	Providing tor steel / 11/extra item	58.14 kg	5.81kg	52.33kg	3401/- (52.33kgx65/- per kg)
2412/1102 /13	C/o granular sub base for grading 3	2.93 cum	0 cum	2.93 cum	4688/- (2.93 cum x 1600/- per cum)

				Total	`24477/-
--	--	--	--	--------------	-----------------

(iv) Not providing the record / information :-

(a) During the audit of work bills it was observed that indent number relating to issue of cement which was entered in measurement book was not matching with indent number entered in stock register. The complete detail in this regard is given below. Due to this the quantity (200 bags) of cement issued for work couldn't be verified. Municipal corporation office was asked to clarify about it verbally and also vide audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit. Therefore, factual position in this regard may be intimated during next audit so that cement bags issued for the execution of work can be verified.

	Indent no. as per MB no. 2372/1062 (page no. 32)		Indent no. as per stock register volume no. II of R&B (page no. 59)	
Head	Indent no. / Date	Quantity of cement bags issued	Indent no. / Date	Quantity of cement bags issued
Cement	0066364 dated 03/11/16	200	16364 dated 03/11/16	200

(b) It was observed that consumption of approx. 72 drums of bitumen as detailed below was shown in work but notification / letter issued by competent authority and comprising following consumption factors on the basis of which the consumption was worked was not shown to audit due to which the consumption of 72 drums of bitumen couldn't be verified. Municipal corporation office was also asked to provide the same vide audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit, therefore, besides justifying the related record may be provided to the audit to verify the consumption.

MB No. / Page no.	Item	Quantity	Factor	Quantity consumed in KG	Quantity consumed in drums
2372/1062 / (33)	Tack coat	3598.70 sqm	0.90 kg	3238.83	20.76 drum
	BM 50mm thick	34.76 cubm	72.56 kg	2520	16.15 drum
	30 mm thick premix	2210.50 sqm	2.50 per kg	5526.25	35.42 drum
				Total	72.33 drums

(c) During the audit it was observed that as per consumption statement the 92 drums of bitumen and bitumen emulsion were consumed and 86 drums [70 drums (bitumen) + 16 drums (bitumen emulsion)] were issued till 2nd running bill. Municipal corporation office was asked to justify the over consumption of 6 drums (92-86) [refer MB page no. 2372/1062 ,page no. 33, 2nd running bill] vide audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit. Therefore, besides justifying it the excess consumption of 6 drums (92-86) may be justified and shown to audit.

(d) It was observed during the audit that as per award letter the time allowed for the completion of work was 6 months. The work was started as on 27/06/2016 (refer measurement book, 2372/1062, page no. 1). The date of abstract of second running bill was 23/05/17 and the time period allowed for completion of work had elapsed as on 18/01/2017 from dated 19/07/2016 i.e. date after 7 days from the date of award of work i.e. 11/07/2016. Municipal corporation office was asked to provide the sanction of competent authority relating to extension of time for completion of work verbally as well as through audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit, therefore, besides justifying it the sanction of competent authority in this regard may be shown during next audit.

(e) It was observed during the audit that as per entry in measurement book (2372/1062, page no. 1) the work was shown started as on 27/06/2016, however as per award letter the date of award of work was 11/07/2016. Municipal corporation office was asked to justify the start of work before date of award of the same verbally as well as vide audit memo no. 49 dated 21/06/2022 but no reply was given till the conclusion of the audit. Therefore, the justification in this regard may be given during next audit.

(f) The duly approved rate analysis by competent authority in respect of extra items i.e. tor steel, item no. 11 [51685/- (795.15 kg x 65/-)] and PL & rolling of premix carpet of 30 mm,item no. 19 [729366/- (2210.20 sqm x 330/-)](MB no. 2372/1062, 2nd running bill) were not shown to audit due to which the correctness of payment released of Rs.781051/- (51685+729366) to contractor on this account couldn't be verified. Municipal corporation office was asked to provide the same verbally as well as vide audit memo no. 49 dated

21/06/2022 but related record was not provided till the conclusion of the audit. Therefore, besides justifying it the concerned record may be provided during next audit.

(g) It was observed that Justification relating to work amounting to Rs. 16824610/- has not been verified by EE (R&B) due to which the justification amount arrived at couldn't be verified. Municipal corporation office was asked to justify the same verbally as well as vide audit memo no. 49 dated 21/06/2022, but no reply was given to audit till the conclusion of the audit. Therefore, besides justifying it the needful in this regard may be done and shown to audit during next audit.

(h) The approval of Finance committee, planning committee and MC house relating to work was sought verbally as well as through audit memo no. 49 dated 21/06/2022, but same was not provided till the conclusion of audit, Therefore, besides justifying it the related record may be provided during next audit.

(i) The calculations of area in respect of RD from 0/125 to 620 and quantity shown executed 312.8 cum (@475/- per cum) on the basis of area under item "cutting in earth work (refer item no. 1, MB no. 2412/1102 page no. 8 to 9)." were not clarified to audit despite being asked verbally and vide audit memo no. 49 dated 21/06/2022 due to which the verification of above executed quantity couldn't be done. Therefore, besides justifying it the above calculation sand quantity arrived at may be clarified during next audit.

(j) During the audit it was observed that upto 2nd running bill 2966 cement bags were consumed as per cement consumption at page no. page no. 32 of mb no. 2372/1062 however 2450 bags were issued to / arranged by the contractor as detailed below. But how the arrangement of 516 cement bags i.e. difference between bags issued to / arranged by contractor and bags consumed upto 2nd running bill was not found mentioned on measurement book. Municipal corporation office was asked to justify the same verbally as well as vide audit memo no. 49 dated 21/06/2022 but no reply was given to audit till the conclusion of the audit, therefore, besides justifying it the related record may be shown to audit during next audit.

Running Bill	Cement bags issued to	Cement bags arranged by contractor	Total (a)	Consumed upto 2 nd running bill	Difference (a-b)

	contractor			(b)	
Ist running bill	800	800	1600		
2 nd running bill	850	-----	850		
		Total bags	2450	2966	516

(k) The earnest money register, measurement book register, document relating to advertisement of tender etc. were also sought verbally as well as vide audit memo no. 49 dated 21/06/2022 which were not provided till the conclusion of the audit. Due to which necessary audit regarding verifying the entry of earnest money and measurement books in concerned registers and manner of advertisement adopted for inviting tenders etc. couldn't be done. Therefore, besides justifying it the related record may be shown during next audit.

(l) During the audit the record / document comprising recovery rates of material issued for the execution of work as detailed below was not provided during the audit. Due to which the correctness of recovery done of Rs. 632868/- on the basis of these rates couldn't be verified. Municipal corporation office was asked to provide the same verbally and also vide audit memo no. 49 dated 21/06/2022, but it was not provided till the conclusion of the audit. Therefore, besides justifying it the related record may be shown during next audit.

Detail	Quantity recovered	Rate	Amount (`)
Cement	1600 bags (Ist& 2 nd bill)	240/-	384000/-
Bitumen	70 drums	7200/-	504000/-
Bitumen emulsion	16 drums	11248/-	179968/-
Empty bitumen drums	70 drums	150/-	10500/-
Empty bitumen emulsion drums	16 drums		8000/-
		Total	`632868/-

(m) The duly approved estimate as referred in letter no. MCS/XEN/2951/RB/2014 -2634 dated 03/12/2014 amounting to `1.84 crore was not shown to audit. Municipal corporation

office was asked to provide the same verbally as well as vide audit memo no. 49 dated 21/06/2022 but same was not provided till the conclusion of the audit. Therefore, besides justifying it the related record may be shown during next audit.

16.2 Name of Work: - Augmentation of LWSS at Giri, Ashwani Khud, Gumma and Seong catchment area (SH:- LWSS Shimla from Koti Brandi (SW-Eplacement of rising main from Ashwani Khad to Kawalag 1st stage and Kawalag to Kusumpti (2nd stage) [Bill no. 1 to 3, (Amrut), `36144644/- (Gross amount 3rd running bill)].

Name of contractor: - M/S Unipro Techno ingrastructure Pvt. Ltd., SCO -36, Sector-7, Madhya Marg, Chandigarh.

Award letter: - MCS-WSPD-Award letter /2017-18-887-96 dated 05/07/2017

Agreement No. 29 of 2017-18.

Awarded amount :- 48424197/-

Measurement book no. :-17/7977, 842/18019 & 877/7936.

During the audit of above work bills in detail following irregularities were observed :-

(i) Not deducting the royalty `0.08 lac :-

During the audit it was observed that sand, aggregate, stone etc. were used in items during the execution of work but the royalty amounting to `8493/- as detailed in **annexure “K”** has not been deducted as directed under Himachal Pradesh miner minerals (concession) and minerals (prevention of illegal mining, transportation, storage) rules 1915. Municipal Corporation office was asked to justify the non-deduction of royalty amount vide audit memo no. 51 dated 23/06/2022 and reply submitted in response to this vide letter no. MCS/XEN/RB/2022-3948 dated 11/07/2022 by MC office was not found satisfactory. Therefore, amount of royalty amounting to `8493/- may be recovered from appropriate source after verifying the same at your end or failing which same may be got condoned with the sanction of competent authority under intimation to audit.

(ii) Overpayment of `0.02 lac on account of wrong calculation of record entries in measurement book :-

While checking the record entries in measurement books overpayment of `2199/- was observed due to wrong calculations of quantities of various items as detailed below. Municipal corporation office was asked to justify this overpayment of `2199/- verbally and vide audit memo no. 51 dated 23/06/2022 but no reply was given till the conclusion of the audit. Therefore, either overpayment may be justified or Rs. 2199/- may be recovered from appropriate source under intimation to audit.

Measureme nt book / page no.	Item / item no.	Quantity shown in measurement book (A)	Actual quantity (B)	Excess quantity (A-B)	Excess payment (`)
9/7969 / 24	Excavation in foundation / 2	516.50 cubm	502.7 cubm	13.80 cubm	13.80X 149/- = 2056/-
877/51	Providing form work with steel plate / 3	210.90 sqm	209.94 sqm	0.96 sqm	0.96 X 149/- = 143/-
				Total	`2199/-

(iii) Not providing the record / information :-

(a) During the audit the stock register /MAS was not provided to verify the issue of following material from store due to which the required audit couldn't be done in this regard. Municipal corporation office was asked to provide the record vide audit memo no. 51 dated 23/06/2022 but the same was not provided till the conclusion of the audit. Therefore, besides justifying it the related record may be provided for necessary verification during next audit.

Indent no. /date	Cement (bags)	Indent no. / date	Steel (Kg)	Indent no. / date	Pipes and valve
Unipro 1 dated 09/17	2350	Unipro 1 dated 09/17	19070 [12mm= 8.84 MT 8MM=10.23 MT]	Unipro 1 dated 09/17	PSL Pipe with outer dia 406.40 mm 6.40mm= 722.50 metre 5.60 mm= 714.83 metre

					4.80mm=3338.80 metre S Valve= 5 no.
Unipro 3 dated 02/18	1080	Unipro 3 dated 02/18	8104 [12mm= 8.00 MT 8MM=140KG]	----- -----	-----
Unipro 4 dated 03/18	4400	-----	-----	----- -----	-----

(b) It was observed that according to indent no. Unipro 1 dated 09/17, 3338.80 meter PSL pipe with outer dia of 406.40 mm was issued from stock / MAS till 18/12/2017(date of abstract of 3rd running bill) till 3rd running bill but the 3388.80 meter of same was executed i.e. 50 meter [3388.50-3338.80,] of `304950/- (50 meter x 6099/- per meter) in excess than the issued pipe. Municipal corporation office was asked to justify the excess execution of 50 meter pipe verbally as well as through audit memo no. 49 dated 21/06/2022 but no reply was given to audit till the conclusion of the audit. Therefore, over execution of 50 meter may be justified under intimation to audit.

(c) An amount of `1581838/- on account of GST was paid to the contractor as detailed below, but the reasons of the same were not found mentioned on the bills. Municipal corporation office was asked to explain the cause of this payment verbally and through audit memo no. 51 dated 23/06/2022, but no reply was given till the conclusion of the audit. Therefore, the payment of GST amounting to `1581839/- to contractor may be justified to the audit.

Bill no.	Payment of GST to contractor
2 nd running bill	677082 [12% on 5642353 (balance amount of 2 nd running bill)
3 rd running bill	904756 [12% on 7539638 (balance amount of 3 rd running bill)
	1581838/-

(d) The tender opening register, earnest money register, measurement book register, document relating to advertisement of tender etc. were also sought verbally and vide audit memo no. 51 dated 23/06/2022, which were not provided till the conclusion of the audit.

Due to which necessary audit regarding verifying the entry of tendered rates by contractors, earnest money and measurement books in concerned registers and manner of advertisement adopted for inviting tenders etc. couldn't be done. Therefore, besides justifying it the related record may be produced to the audit.

16.3 Name of Work: - C/ o vending zone complex for street vendors near Subji Mandi Ground (Bakery Building) Shimla including site development, C/O rain water harvesting tanks, internal WS & SI and Electrical installation (2nd running bill).

R & B

Name of contractor: -MS Vishv Bhumi Engineers (P) Ltd.

Award letter: - MCS/AC/ Challenge Fund / 2015-622-25 dated 23/04/2015.

Awarded amount: - 39266955/-

Measurement book no. :- 09/7969, 2325/1015, 2133/823, 10/7970, 2240/930.

During the audit of above work bill following irregularities were observed:-

(i) Not deducting the royalty `1.06 lacs

R & B

During the audit it was observed that sand, aggregate, stone etc. were used in items during the execution of work but the royalty amounting to `106307/-as detailed in **annexure “ L”** has not been deducted as directed under Himachal Pradesh miner minerals (concession) and minerals (prevention of illegal mining, transportation, storage) rules 1915. Municipal Corporation office was asked to justify the non-deduction of royalty amount vide audit memo no. 51 dated 23/06/2022 and reply submitted in response to this vide letter no. MCS/XEN/RB/2022-3948 dated 11/07/2022 by MC office was not found satisfactory. Therefore, amount of royalty amounting to `106307/- may be recovered from appropriate source after verifying the same at your end or failing which same may be got condoned with the sanction of competent authority under intimation to audit.

(ii) Overpayment of `0.05 lac on account of wrong calculation of record entries in measurement book :-

R & B

While checking the record entries in measurement books overpayment of `2199/- was observed due to wrong calculations of quantities of various items as detailed below in

table. Municipal Corporation office was asked to justify this overpayment of `5070/- verbally and vide audit memo no. 51 dated 23/06/2022 but no reply was given till the conclusion of the audit. Therefore, either overpayment may be justified or `5070/- may be recovered from appropriate source under intimation to audit.

Measurement book / page no.	Item / item no.	Quantity shown in measurement book (A)	Actual quantity (B)	Excess quantity (A-B)	Excess payment (₹)
2133 / 823 / 76	Tor steel / 5/7	84rmt (8mm) x 0.39 = 32.76 kg	8.4 rmt (8mm) x 0.39 = 3.28 kg	29.48 kg	1830 /- (29.48 x 62.075 per kg)
2133 / 823 / 81	Tor steel / 5/7	26.40 rmt (20mm) x 2.47 = 65.21 kg	24 rmt (20mm) x 2.47 = 59.28 kg	5.93 kg	368 /- (5.93 x 62.075 per kg)
2133 / 823 / 14	PL cc 1:2:4	7.74 cubm	6.74 cubm	1 cubm	2872/- (1 cubm x 2872 per cub m)
				Total	5070/-

(3) Overpayment of `0.02 lac due to non deduction of quantity equivalent to the volume of weep holes of 100 mm :-

R & B

It was observed while auditing the bill that payment was released to the contractor in respect of item no. 6 [Random rubble masonry = 350.05cub mx 3056= 1069753/-,(refer Page no. 23, MB No. 2325/1015) without deducting the quantity equivalent to the volume of weep holes of 100 mm which resulted in overpayment of `2678/- [0.876 cum x 3056/- per cum] to the contractor. Municipal corporation office was asked to justify this overpayment of `2678/- verbally and vide audit memo no. 52 dated 23/06/2022 but no reply was given till the conclusion of the audit. Therefore, either overpayment may be justified or the `2678/- may be recovered from appropriate source under intimation to audit.

{Volume of weep holes = 0.876 cubmg [(22/7 X 0.05 X 0.05X 111.45 m (length of weep holes), refer MB No. 2325/1015, page no. 25)] }

(4) Not providing the record / information :-

(a) During the audit of work bills it was observed that indent numbers/dates relating to issue of cement as entered in measurement book were not matching with indent numbers / dates entered in stock register. The complete detail in this regard is given below. Due to this the quantity (800 bags) of cement issued for work couldn't be verified. Municipal Corporation office was asked to clarify about it verbally and also vide audit memo no. 52 dated 23/06/2022 but no reply was given till the conclusion of the audit. Therefore, factual position in this regard may be intimated during next audit so that cement bags issued for the execution of work can be verified.

	Indent no. as per MB no. 2325/1015 (page no. 27 to 28)		Indent no. as per stock register vol no. II of R&B		Remarks
Head	Indent no. / Date	Quantity of cement bags issued	Indent no. / Date	Quantity of cement bags issued	
Cement	16309 / 7/5/16	200	16309 / 6/6/16	100 (Page no. 53)	Quantity issued & dates of indents don't match
	16359 / 8/8/16	600	16353 / 3/10/16	600 (Page no. 58)	Indent no. and dates don't match

(b) The duly approved rate analysis in respect of extra items detailed below were not shown to audit during the audit due to which the payment released of `829555/- to contractors on the basis of these rates couldn't be verified. Municipal Corporation office was asked to provide the same verbally as well as vide audit memo no. 52 dated 23/06/2022 but related record was not provided till the conclusion of the audit. Therefore, besides justifying it the concerned record may be provided during next audit.

Item no.	Item	Quantity	Rate	Amount (₹)
9	Pl cc 1:2:4 in 20 mm	111.69cum	3965.30/-	442884/-
10	Pl cc 1:4:8 in 40mm	60.85 cum	2872.06/-	174764/-
11	Pl weep hole pipe pvc 100 dia	111.45 Rmt	120/-	13374/-

12	Dismantling of brick work Ground floor upto two floor	67.72 cum	747/-	50587/-
13	Dismantling steel work upto span ridge of 10 m height	857.02 kg	0.72/-	617/-
14	Dismantling of stone masonry above ground floor to two floor	103.95 cum	320/-	33264/-
15	Demolition of RCC slab and floor	55.75 cum	620/-	34665/-
16	Demolition below ground floor to 1.5 mtr depth and disposal of unserviceable material	49.68 cum	1085/-	53903/-
17	Demolition of stone above ground floor to two floor	75.14 cum	320/-	24045/-
18	PL cc slurry on or below slab and cc work	69.14 sqm	21/-	1452/-
			Total	`829555/-

(c) Item no. 12,13,14,15,16 & 17 relating to dismantling / demolition were executed under the work but during this process any useable / serviceable material was found or not, nothing was found mentioned in this regard on record / measurement book. Municipal Corporation office was asked to clarify about it verbally as well as vide audit memo no. 52 dated 23/06/2022 but no reply was given till the conclusion of the audit. Therefore, besides justifying it the factual position may be apprised to audit in this regard during the course of next audit.

(d) During the audit estimate, technical sanction and expenditure sanction of competent authority was not provided to audit due to which the required audit in this regard couldn't be done. Municipal corporation office was asked to provide the same verbally as well as through audit memo no. 52 dated 23/06/2022 but the same were not provided till the conclusion of the audit. Therefore, besides justifying it the related record may be provided during next audit.

16.4 Not deduction of royalty `4.49 lacs under various works :-

During the audit it was observed that sand, aggregate, stone etc. were used in items during the execution of various works but the royalty amounting to `449321 /-as detailed in

R & B

Annexure “M” has not been deducted as directed under Himachal Pradesh miner minerals (concession) and minerals (prevention of illegal mining, transportation, storage) rules 1915. Municipal corporation office was asked to justify the non-deduction of royalty amount vide audit memo no. 33 dated 28/04/2022, 40 dated 10/05/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62 dated 11/07/2022 and reply submitted in response to this vide letter no. MCS/XEN/RB/2022-3948 dated 11/07/2022 by MC office was not found satisfactory. Therefore, amount of royalty amounting to `449321 /- may be recovered from appropriate source after verifying the same at your end or failing which same may be got condoned with the sanction of competent authority under intimation to audit.

16.5 Overpayment of `0.74 lac on account of wrong calculation of record entries in measurement book :-

R & B

While checking the record entries in measurement books overpayment of `74067/- was observed due to reasons as detailed below. Municipal Corporation office was asked to justify this overpayment of `74067/- verbally and vide audit memo no. 33 dated 28/04/2022, 40 dated 10/05/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62 dated 11/07/2022 but no reply was given till the conclusion of the audit. Therefore, either

overpayment may be justified or the `74067/- may be recovered from appropriate source under intimation to audit.

Voucher no. / Diary no.	Name of work / Name of contractor / Award letter no. & date / Awarded amount	Gross / net payment	MB No. / page no.	Detail	Amount of overpayment (Rs.)										
939 / 2563/R B/16	Restoration of rain damages on road sides from Dhalli tunnel to lower tunnel (C/o retaining wall RD 1/155 to 1/162) / Sh. Vinod Sharma / 180 dated 24/01/2017 / 193239/-	192601/- / 163711/-	2291/981 (28 to 31)	The total quantity of the item no. 4/4 (random rubble masonry / polygonal masonry) works out to be 52.10 cum instead of 53.37.	4140/- [1.27 cum (53.37- 52.10)x3260/- cum]										
2725/R B/15	CO of R wall and steps near Hateshwari Mandir sector -1, New shimla & CO of drain at sector - 3 in ward no. 23. / Sh.Bilal Ahmed /30 dated 06/01/2017 / 143826	135412/- / 115186/-	2399/1089 (1 to 7)	The total executed quantity of item PL cc 1:3:6 comes out 4.73 cum instead of 10.08 cum.	20063/- [5.35 cum (10.08- 4.73) x 3750/-]										
279/ 3894/R B/ 16	Road / Path leading to Hari Kunj to Chauhan Niwas (SH:- Shape drain RD 0/0 to 0/180) in ward no. 14 Jakhoo. / Sh. Satish Jagta / 1245 / 22/5/2017./ 85995/-	82373/- / 70017/-	2055/745 (78 to 83)	The rate of extra item RR masonry in 1:6 was taken 3350/- whereas it comes out Rs. 3204/- (2222(Schedule rate) +44.18 % (premium on which work is awarded) .	158/- [3618(1.08 cum x 3350/-)- 3460/-(1.08 cum x 3204)]										
266/ (2016- 17)	Implementation of the Sewerage System rehabilitation scheme for Shimla Town (SH:- Supply & erection of MSERW pipe 250mm dia) / M/s Hydraulic	624911/- / 587417/-	915. (5-8)	<table><tr><th>Item no.</th><th>Head</th><th>Paid</th><th>Actual</th><th>Excess</th></tr><tr><td>1</td><td>Excavation in foundation</td><td>10511(41.22 cum x 255/-)</td><td>10305(41.22 cum x 250/-)</td><td>206/-</td></tr></table>	Item no.	Head	Paid	Actual	Excess	1	Excavation in foundation	10511(41.22 cum x 255/-)	10305(41.22 cum x 250/-)	206/-	206/-
Item no.	Head	Paid	Actual	Excess											
1	Excavation in foundation	10511(41.22 cum x 255/-)	10305(41.22 cum x 250/-)	206/-											

	engineering limited/ 13079-88 dt. 16/02/17 / 627660/-																		
939/ 253/R B/17	Removal of snow and supply and spreading of crusher sand on various paths/ road in ward no. 13 for the year 2016-17 / Sh. Vinod Sharma / 492 dated 06/03/2017 / 133849/-	455923/- (584773-128850) 446805/-	2142/832(69-73)	<table><tr><td>Item no.</td><td>Item</td><td>Amount paid</td><td>Actual amount</td><td>Excess paid</td></tr><tr><td>3/3</td><td>Hiring of excavator cum loader</td><td>277200/- (198 hours x 1400/-)</td><td>227700/- (198 hours x 1150/-)</td><td>49500/-</td></tr></table>					Item no.	Item	Amount paid	Actual amount	Excess paid	3/3	Hiring of excavator cum loader	277200/- (198 hours x 1400/-)	227700/- (198 hours x 1150/-)	49500/-	49500/-
Item no.	Item	Amount paid	Actual amount	Excess paid															
3/3	Hiring of excavator cum loader	277200/- (198 hours x 1400/-)	227700/- (198 hours x 1150/-)	49500/-															
				Total					74067/-										

16.6 Overpayment of `0.04 lac due to non-deduction of quantity equivalent to the volume of weep holes of 100 mm :-

R & B

During the audit it was observed that the payments of items as detailed below were released to the contractors without deducting the quantity equivalent to the volume of weep holes of 100 mm which resulted in overpayment of `4175/-.Municipal corporation office was asked to justify this overpayment of `4175/- verbally and vide audit memo no. 33 dated 28/04/2022, 40 dated 10/05/2022, 54 dated 27/06/2022 and 62 dated 11/07/2022 but no reply was given till the conclusion of the audit. Therefore, either the overpayment on this account may be justified or the `4175/- may be recovered from appropriate source under intimation to audit.

Voucher no. / Diary no.	Name of work / Name of contractor / Award letter no. & date / Awarded amount .	Gross / Net payment	MB No. / page no.	Quantity equivalent to the volume of weep holes.	Amount
908/ 3496/ RB/16	C/o link road of Sh. Shiv Ram to house of Sh. Neeraj Kumar at Sec- 4, New Shimla (SH:- C/O B/wall) in	198777/- / 168963/-	2405/1095 / (page no. 1 to 6)	0.189 cum [(22/7 X 0.05 X 0.05X 24m	620/- [0.189 Cum x3280/- per cum(Rate

	ward No. 23.) / Inderjeet Singh / 137 dated 20/01/2017 / 198777/-			(length of weep holes)]	per cum of RR masonry]
992 / 3950/RB/15	C/O ambulance road from cpwd colony curve to upper chakkar (R/Wall ED 0/200 to 0/225) ward no. 7. / Sh. Manmohan Sharma / 3396 dated 15/11/2016 / 163374	163335/-/ 126278/-	2226/916 (page no. 96 to 99)	0.108 cum [(22/7 X 0.05 X 0.05X 13.70m (length of weep holes))}	356/- (0.108 Cum x3300/- per cum(Rate per cum of RR masonry)
1036/RB/15	C/O Restoration of rain damages on road from NH-22 to house kachighati shimla Rd 0/0 to 0/450 (R/Wall ED 0/123 to 0/138) ward no. 7. / Sh. Dalip kumar / 1129 dated 15/06/2015 / 245355	142733/- / 60307/-	2277/967 (page no. 21 to 29)	0.166 cum [(22/7 X 0.05 X 0.05X 21.08m (length of weep holes))}	282/- (0.166 Cum x1700/- per cum(Rate per cum of RR masonry)
289 / 3250/ RB/16	Restoration of rain damages from dumping site near jaswal house boileauganj cowk to chakkarchokrd 0/530 to 0/570 in ward no. 7 Devender Gosain / 600 dated 15/03/2017 / 1957180 /-	1957180/- / 1506923/-	2339/1029 (page no.50 to 65)	0.451 cum [(22/7 X 0.05 X 0.05X 57.4 m (length of weep holes)]	1078/- (0.0451 Cum x2391/- per cum (Rate per cum of RR masonry)
939 / 2830/RB/16	Restoration of rain damages on road from long wood chowk to harvengton (sh :- co retaing wall rd 00/42 to 0/051 mtrs) ward no. 1 / Shvonod Sharma / 140 dated 21/01/2017 / 42138 /-	41237/- / 35052/-	2202/892 (page no. 67 to 70)	(0.042 Cum [(22/7 X 0.05 X 0.05X 5.40 m (length of weep holes)]	137/- (0.042 Cum x3250/- per cum (Rate per cum of RR masonry)

279 / 2250/RB/16	(i) Co path near land of Med Ram Geeta and Roshan (ii) c/o ambulance road at Kagnadhar phase –II new shimla ward no. 23 / sh. Sanjeev kumar / 385 dated 21/02/2017 / 399381/-	Restricted to 399381/- / 3500304/-	2328/1018 (page no. 30 to 39)	0.248 cum [(22/7 X 0.05 X 0.05X 31.6 m (length of weep holes)]	808/- (0.248 Cum x3260/- per cum (Rate per cum of RR masonry)
3067/RB/16	Restoration of rain damage on public path from pump house to Govind Ram house RD 0/0 to 0/130 (SH:- R/Wall & B/Wall 0/30 top 0/46) in ward no. 6 / Sh. Jeet Ram / 1071 dated 1/5/17 / 376641/-	376539/- / 300473/-	2181/871 (page no. (91-94)	0.259 cum [(22/7 X 0.05 X 0.05X 32.90m (length of weep holes)	894/- (0.259 Cum x3450/- per cum(Rate per cum of RR masonry).
				Total	4175/-

16.7 Not following the e-tendering process as per directions:-

During the audit it was observed that the e –tendering process as directed by The Directorate of Urban development, HP vide letter no. UD-H-Tenders-Engg.Cell-2767-2818 dated 18/05/2015 had not been followed in Municipal Corporation and online tendering was not done which is irregular. Some related instances are detailed below. It was also observed that inadequate response i.e. Less than three tenders were received in response to notices inviting tenders. Had the process of e-tendering been followed better response to tender inviting notices could be received which would have resulted in more competitive rates and ultimately savings to the MC exchequer. Possibility of getting lesser response to tender notices and incurring loss to financial loss to MC exchequer due to non following the process of e – tendering cannot be ruled out. Municipal Corporation office was asked to justify the non – following the process of e-tendering verbally and also vide audit memo no. 33 dated 28/04/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62

R & B

dated 11/07/2022 and reply submitted in response to this vide letter no. MCS/XEN/RB/2022-3948 dated 11/07/2022 was not found satisfactory. Therefore, this irregularity of non following the process of e-tendering may be got regularised with the sanction of competent authority under intimation to audit.

Voucher no. / Dairy no.	Name of work / name of contractor / Name of contractor / Award letter no. & date / Awarded amount	Gross expenditure on work / deduction / net Payment	Tenders received
939/ 2563/RB/16	Restoration of rain damages on road sides from Dhalli tunnel to lower tunnel (C/o retaining wall RD 1/155 to 1/162) / Sh. Vinod Sharma / 180 dated 24/01/2017 / 193239/-	192601/- / 163711/-	Only two tenders were received.
938/3412/ RB/16	Restoration of rain damages R/wall on road leading to mist chamber near bhandari house khalini to ward no. 24 / Sh. Yashwant singh 3761 / 29/12/2016 / 250420/-	248296/- / 199294/-	Only two tenders were received.
908/ 3496/ RB/16	C/o link road of Sh. Shiv Ram to house of Sh. Neeraj Kumar at Sec- 4, New Shimla (SH:- C/O B/wall) in ward No. 23.) / Inderjeet Singh / 137 dated 20/01/2017 / 198777/-	198777/- / 168963/-	-----
927/ 3070/RB/ 16	Restoration of rain damages on path from Nalagarh road to bangle colony RD 0/0 to 0/200(SH:- C/o R/Wall and CC flooring etc.)/ Jang bahadur / 294 / 07/02/2017 / 176830/-	157968/- / 120691/-	----- --

940/2265/RB /16	C/O toilet at Chotta shimla, /Sh. Prem chand Thakur / 97 / 16/01/2017 / 142840/-	108903/- / 92568/-	Only two tenders were received.
879/ 3887/RB/16	Restoration of various paths in Krishna Nagar (SH :- C/O R/W) in ward no. 11. / sh. Rajesh Sharma / 208/ 27/01/17 / 430438/-	419380/-/- / 356475/-	Only two tenders were received.
965/2655/RB /15	Restoration of rain damages (SH :- side drain in ward no. 1) Sh. Ashok Kumar / 54/ 6/01/16 / 281005/-	237696/- / 147177/-	----- -
909/2829/RB /16	Restoration of rain damages leading to Dhalli tunnel from Neridhar NH-22, RD 0/0 to 1/700 (C/O retaining wall RD 0/465 to 0/485) / Sh. Surjeet Singh / 240 dated 31/01/2017 / 403736/-	403521/- / = 342988/-	-----
941/3184/RB /16	Restoration of rain damages ambulance road from prem cottage to negi house (SH:- RD 0/020 to 0/060) ward no. 3 / 10 dated 02/01/2017 / 1037741/-	972286/- / 748064/-	Only two tenders were received.
893 / 1894/RB/16 & 893/2372/RB /17	MC path from chakkar road near brghai house to NH road via Shimla view cottage RD 0/0 to 0/075) ward no. 7 / Jawahar singh 3005 / dated 24/09/2016 / 317688/-	315248/- / 241849/-	----- --.
76/ 286/(2016-17)	Provision & Improvement of sewerage system, sewer line in ward no.19 of Shimla town (SH:- P/L of 150mm diasewar line from Narinder building cemetery Negi Niwas at BhattaKuffar	1031084/- / 906805/-	----- -----

	OM Niwas to Hans Raj Building Gahan and Bariagee Niwas to existing IPH manhole Gahan Sanjauli) / Sh. Adarsh Gautam / 13209 -18 dated 20/02/2017 /		
78 / 244(2016-17)	Provision & Improvement of sewerage system, sewer line in ward no.11 of Shimla town (SH:- P/L of 150mm dia sewar line from Sodhi building to existing MC Manhole at Krishna nagar) / Sh. Tara Chand / 11470-79 dated 21/01/2017 / 409113/-	440021/- / 372731/-	----- -----
90 / 201(2016-17)	P/L of 150mm dia sewar line for village Dalog Jamindhar house lower Phagli RD 0/0 to 0/100 (ward no 8). / Sh. Gian Singh / 227-36 dated 07/12/2016 / 293273/-	292554/- / 250524	----- -----
266/ (2016-17)	Implementation of the Sewerage System rehabilitation scheme for Shimla Town (SH:- Supply & Erection of MSERW pipe 250 mm dia) / M/s Hydrilic engineering limited/ 13079-88 dt. 16/02/17 / 627660/-	624911/- / 587417/-	----- -----
288/ (2016-17)	Implementation of the Sewerage System rehabilitation scheme for Shimla Town STP Malyana(SH:- Supply & Erection of Sludge pump and allied accessories) / M/s Hydrilic Engineering limited/ 13264-73 dt.	1299218/- / 1221265/-	----- -----

	21/02/17 / 1299218/-		
279/2059 /RB/16	Road from cart road petrol pump to Directorate of Animal Husbandary Boileauganj (SH:- P/L Soling C.C (1:6:12 & 1:2:4) in ward no. 7	357262/- / 238388/-	----- -----
283/ 3067 /RB/16	Restoration of rain damage on public path from pump house to Govind Ram house RD 0/0 to 0/130 (SH:- R/Wall & B/Wall 0/30 top 0/46) in ward no. 6	376539/- / 300473/-	Only two tenders were received.
283/ 3066/RB/16	Restoration of rain damage on public path from sr. Sec. School to Shiv Nagar Totu RD 0/0 to 0/120 (SH:- Toe wall at RD 0/140 to 0/050) in ward no. 6	385207/- / 327426/-	Only two tenders were received.
946/ 3286/RB/16	Renovation of public toilet at Ram bazar Shimla in ward no. 12	856595/- / 691528/-	-----
994/ 3806/RB/15	Special repair of MC Qtrs. Allotted to Sh. Mohan lal Thakur near below railway board at AG chowk in ward no. 4	118112/- / 100396/-	Only two tenders were received.
939/ 253/RB/17	Removal of snow and supply and spreading of crusher sand on various paths/ road in ward no. 13 for the year 2016-17 / Sh. Vinod Sharma / 492 dated 06/03/2017 / 133849/-	455923/- (584773- 128850) / 446805/- (2 nd & final bill of 06/2017)	Only two tenders were received
879/ 3887/RB/16	Restoration of rain damage on various path in Krishna nagar (SH: c/o R/Wall) in ward no. 11	419380/- / 356475/-	Only two tenders were received.
932/ 1786/RB/14	Construction of R.C.C nallah near patwarkhana Panthaghati in kasumpati	474483/- / 385225/-	-----

	in ward no. 21		---
284/1300/M U/16	Path from Shankar lal niwas to Sh. O.P kaishtha Niwas & Sharma Niwas near begam Lodge (SH:- R/Wall & S/R of steps C.C flooring) in ward no.7	106601/- / 90611/-	----- -----
279/ 6127/MU/15	Path from H.P Govt. Press to chakkar road via Sh. S.K Sood & Sh. Lashkri Ram Sood RD 070 to 0/160 (SH:- p/L C>C flooring) in ward no. 7	102625/- / 87231/-	Only two tenders were received.
284/1591/ Rb/16	Special repair of MC complex at totu (SH:- ceiling, steel work and white washing etc.) in ward no. 6	420498/- / 357423/-	----- ---
284/301/ RB/17	Repair & Maintenance of public toilet at fruit market in ward no. 12	324840/- / 276115	Only two tenders were received.
280 / 1798 / RB / 17	Periodical renewal coat on various roads / paths in ward no. 13 (Lower bazaar, PL 30 mm thick bitumen coat)/ Sh. Naresh Kumar Vij / 689 dated 25/03/2017 / 1081350/-	1084310/- / 1030095/-	Only two tenders were received.
279/ 3177/RB/16	Restoration of rain damages of road from NH-22 to Dadal house near hotel the rock castle (SH: wire crate) in ward no. 7./Sh A.R. Butt / 906 dated 19/04/17 / 644672/-	519684/- / 441731/-	Only two tenders were received.
284 / 3250/ RB/16	Restoration of rain damages from dumping site near jaswal house boileauganjcowk to chakkarchokrd	1957180/- / 1506923/-	Only two tenders were received.

	0/530 to 0/570 in ward no. 7 devendergosain / 600 dated 15/03/2017 / 1957180 /-		
279 / 2250/RB/16	(i) Co path near land of Med ram geeta and roshan (ii) c/o ambulance road at kagnadhar phase –II new shimla ward no. 23 / Sh. Sanjeev kumar / 385 dated 21/02/2017 / 399381/-	399381/- / 300304/-	----- -----
280 / 1274/RB/17	Periodical renewal coat on various roads / paths in ward no. 20 malyana of mc shimla (PL 30 mm thick bitumen concrete)/ Sh. Naresh Kumar Vij / 1036 dated 29/04/2017 / 2376000/-	2373231/- / 2245570/-	Only two tenders were received.
279 3709/RB/16	c/o r/wall and water bauri in Krishna nagar near rajiv bhavan shimla in ward no. 11 / ar butt / 3657 / 20/12/16 / 471077/-	374492/- / 318318/-	Only two tenders were received.

16.8 Not showing the sanction of competent authority in respect of deviation in expenditure incurred under works: -

R & B

During the audit the deviation of 10% (+ / -) in expenditure incurred in comparison to awarded amount under works was observed but no justification in this regard was shown during the audit despite seeking the same verbally and through written reminders vide audit memo no.33 dated 28/04/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62 dated 11/07/2022. Therefore, either it may be justified or failing which the deviation in expenditure incurred under works may be regularized with the sanction of the competent authority under intimation to audit.

Voucher no. / Dairy no.	Name of work / name of contractor / Name of contractor /	Gross expenditure on work net	Date of start / Date of	Particulars
-------------------------------	----------------------------------------------------------------	-------------------------------------	-------------------------------	-------------

	Award letter no. & date / Awarded amount	Payment	completion / MB No. (page no.)	
927/3070/RB/16	Restoration of rain damages on path from Nalagar road to bangle colony RD 0/0 to 0/200(SH:- C/o R/Wall and CC flooring etc.)/ Jang bahadur / 294 / 07/02/2017 / 176830/-	157968/- / 120691/-	13/01/17 / 27/02/17 / 2213/903 (89to 92)	Deviation of Rs. 18862/- (176830-157968) was observed.
940/2265/RB/16	C/O toilet at Chottashimla, /Sh. Prem chand Thakur / 97 / 16/01/2017 / 142840/-	108903/- / 92568/-	18/01/17 / 08/02/17 / 2162/852 (86 to 95)	The approval of the competent authority in respect of deviation of Rs. 33937/- (142840-108903) may be shown.
965/2655/RB/15	Restoration of of rain damages (SH :-c/o side drain in ward no. 1) sh. Ashok Kumar / 54/ 6/01/16 / 281005/-	237696/- / 147177/-	28/04/16 / 05/11/16 / 2283/973 (19 to 21)	Deviation of Rs. 43309/- (281005-237696) was observed.
78 / 244(2016-17)	Provision &Improvement of sewerage system, sewer line in ward no.11 of Shimla town (SH:- P/L of 150mm dia sewar line from Sodhi building to existing MC Manhole at Krishna nagar) / Sh. Tara Chand / 11470-79 dated 21/01/2017 / 409113/-	440021/- / 372731/-	21/12/2016 / 5/01/2017 / 894 (81-85)	Deviation of above 10% i.e. Rs. 67058/- [440021(expenditure on executed items) -372963 (awarded amount of executed items)] was observed in respect of executed items i.e. (1,2,3(a,b,c,e), 4, 5 (a&b) out of 6 total awarded items [Note :- item no. 3(d) &

				6 was not executed]
280 / 1261/RB/ 17	Periodical renewal coat on various roads/paths in ward no. 7 (Baluganj) of MC Shimla for the year 2017-18 P/L 30mm thick bituminous concrete) / Sh. Naresh Kumar / 1015 dated 26/4/17 / 1545192/-	1094723/- / 1018840/-	1/5/2017 /08/06/2017 / 2468/1158(24-27)	Out of total 5 items 4 items (1 to 4) were executed and in respect of executed items a deviation of Rs. 393992/- [(1480809(award ed amount) – 1086817(actual expenditure))] was observed.
994/ 3806/RB/ 15	Special repair of MC Qtrs. Allotted to sh. Mohan lal Thakur near below railway lboard at AG CHOWK IN WARD NO. 4 / Sunil Sharma / 3206 dated 20/10/16 / 135891/-	118112/- / 100396/-	22/10/2016 / 23/11/2016/ 2249/939 (82-88)	Out of total 24 items 9 items [1,5,(12 to 16),18,19] were executed and in respect of executed items a deviation of Rs. 101074/- [374585(actual expenditure)- 103269 (awarded amount))] was observed.
946/ 3286/RB/ 16	Renovation of public toilet at Ram bazaar Shimla in ward no. 12 / Raj Bahadur / 3709 dated 23/12/16 / 842144/-	856595/- / 691528 /-	16/11/2016 / 2218/908 (44-54)	Out of total 39 items 8 items [5(ii), 6(ii),7, 8, 22, 26(i), 28(i), 29(i), 38] were executed and in respect of executed items a deviation of Rs. 108144/- [329229 (awarded amount) - 221085(actual expenditure)]

				was observed.
284/ 1591/Rb/ 16	Special repair of MC complex at totu (SH:- ceiling, steel work and white washing etc.) in ward no. 6	420498/- / 357423/-	7/12/2016/ 27/2/2017/ 2403/1093 (35-44)	Out of total 21 items 7 items [1,2,6,7,10,11,12] were executed and in respect of executed items a deviation of Rs. 92653/- [333823 (awarded amount) - 241170 (actual expenditure)] was observed.
301/RB/17	Repair & Maintenance of public toilet at fruit market in ward no. 12	324840/- / =276115/-	13/7/2017/ 24/7/2017/ 2201/891 (45-52)	Out of total 27 items 7 items [2,9,10,12,15,19 & 20] were executed and in respect of executed items a deviation of Rs. 20163/- [180023(actual expenditure)- 159860 (awarded amount))] was observed.
279/ 3177/RB/ 16	Restoration of rain damages of road from NH-22 to Dadal house near hotel the rock castle (SH: wire crate) in ward bo. 7./Sh A.R. Butt / 906 dated 19/04/17 / 644672/-	519684/- / 441731/-	3/4/17 / 17/7/17 / 2446/1136 (5 to 9)	There observed a deviation of Rs. 285752/- (644672- 358920) in respect of awarded items (item no. 1 to 4).
289 / 3250/ RB/16	Restoration of rain damages from dumping site near jaswal house boileauganjcowk to chakkarchokrd 0/530 to 0/570 in ward no. 7	1957180/- / 1506923/-	16/3/17 / 3/7/17 / 2339/1029 (50 to 65)	There incurred excess expenditure of Rs. 558267/- [1953022 (1957180-4158) -1394755) in

	Devender gosain / 600 dated 15/03/2017 / 1957180 /-			respect of 8 awarded items [excluding 4(i) of Rs. 4158/-].
280 / 1274/RB/ 17	Periodical renewal coat on various roads / paths in ward no. 20 malyana of mc shimla (PL 30 mm thick bitumen concrete)/ Sh. Naresh Kumar Vij / 1036 dated 29/04/2017 / 2376000/-	2373231/- / 2245570/-	29/4/17 / 16/6/17 / 2384/1074 (27 to 36)	There observed deviation of `795219/- [2277000 (2376000-99000) (awarded amount of 4 awarded items) - 1481781(expenditure incurred on 4 awarded items) in respect of 4 awarded items.
279 3709/RB/ 16	c/o r/wall and water bauri in Krishna nagar near Rajiv bhavan shimla in ward no. 11 / ar butt / 3657 / 20/12/16 / 471077/-	374492/- / 318318/-	20/12/16 / 2093/783 (61 to 64)	There observed deviation of Rs. 65910/- [308582, awarded amount of 4 items) - 374492(expenditure incurred on 4 awarded items) in respect of awarded items (1 to 4).

16.9 Not executing the item “Providing and fixing weep holes” :-

R & B During the audit it was observed that item“ Providing and fixing weep holes “ was not executed which was required to be executed as mentioned under award letters of following works . Clarification in this regard was sought verbally and also vide audit memo no. – 33 dated 28.04.2022 but non execution of the item was not clarified till the conclusion of the audit. However it seems the execution of the item was mandatory for the durability of concerned developmental works. Hence it may be justified failing which the

non execution of the item may be got regularized with the sanction of the competent authority under intimation to audit.

Voucher no. / Dairy no.	Name of work / name of contractor / Name of contractor / Award letter no. & date / Awarded amount	Gross expenditure on work / net Payment	Detail / Remarks
3887/RB/16	Restoration of of various paths in Krishna Nagar (SH :- c/of R/W) in ward no. 11. / sh. Rajesh Sharma / 208/ 27/01/17 / 430438/-	419380/- / 356475/-	item no. 6 as per award letter PF weep holes was not executed
909/2829/RB/16	Restoration of rain damages leading to Dhalli tunnel feom Neridhar NH-22, RD 0/0 to 1/700 (C/o retaining wall RD 0/465 to 0/485) / Sh. Surjeet Singh / 240 dated 31/01/2017 / 403736/-	403521/- / 342988/-	item no. 5 as per award letter PF weep holes was not executed
941/3184/RB/16	Restoration of rain damages ambulance road from prem cottage to negi house(SH:- RD 0/020 to 0/060) ward no. 3 / 10 dated 02/01/2017 / 1037741/-	972286/- / 748064/-	item no. 5 as per award letter PF weep holes was not executed
879/ 3887/RB/16	Restoration of rain damage on various path in Krishna nagar (SH: c/o R/Wall) in ward no. 11 / Sh. Rajesh Sharma / 208 dated 27/01/2017 / 430438/-	419380/- / 356475/-	item as per award letter PF weep holes was not executed
284/ 1300/MU/16	Path from Shankar lalniwas to Sh. O.P kaishta Niwas& Sharma Niwas near begam Lodge (SH:- R/Wall & S/R of steps C.C flooring) in ward no.7 / Sh. Vinay / / Sh. Vinay /186 dated 17/10/16 / 178290/-	106601/- / 90611/-	item as per award letter PF weep holes was not executed

16.10 Not providing the record relating to approval of planning and finance committee and MC house :-

R & B

During the audit the record relating to approval of planning and finance committee and MC house was sought verbally and also vide audit memo no. 40 dated 10/05/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62 dated 11/07/2022 in respect of works mentioned below but neither the concerned record was shown nor any reply was given till the conclusion of the audit due to which the audit in this regard couldn't be done. Hence non production of record may be justified failing which the related record may be produced to the audit.

Voucher no. / Dairy no.	Name of work / name of contractor / Name of contractor / Award letter no. & date / Awarded amount	Gross expenditure on work / net Payment
980/ 3898/RB/15	Providing and fixing MS Panel railing on the path leading towards Sheesh Ram house from Kainth Estate in ward no. 9./ Sh. Sunil Sharma / 3153 dated 14/10/2016/ 142979/-	142978/- / 111081 /-
992/ 3950/RB/15	C/O ambulance road from cpwd colony curve to upper chakkar (R/Wall ED 0/200 to 0/225) ward no. 7. / Sh. Manmohan Sharma / 3396 dated 15/11/2016 / 163374	163335/- / 26278/-
1036/RB/15	C/O Restoration of rain damages on road from NH-22 to house kachighatishimla Rd 0/0 to 0/450 (R/Wall ED 0/123 to 0/138) ward no. 7. / Sh. Dalipkumar / 1129 dated 15/06/2015 / 245355	142733/- / 60307/-
980 / 2725/RB/15	C/O MC road from lower summer- hill Police Chowki to Sahamshanghat RDE 0/0 to 0/300 (SH :- pl stone soiling bCC flooring 1:2:4 at RD 0/0/ 0/300) in ward no. 5, Sh. Sushil Sharma , 3080/ dated 04/10/2016/	345620/- / 218399/-

	350604/-	
980 / 2725/RB/15	CO of R wall and steps near Hateshwari Mandir sector -1, New shimla& CO of drain at sector -3 in ward no. 23. / Sh.Bilal Ahmed /30 dated 06/01/2017 / 143826	135412/- / 115186/-
1331 (Amrut) 287/RB/17	Development of path from Gol pahari to military baraksannadale (C/O of r/w in ward no. 4, Amrut) / sh. Dheeraj parmar / 361 / 17/02/2017 / 1162833/-	853031/- / 685888/-
90 / 201(2016-17)	P/L of 150mm dia sewar line for village DalogJamindhar house lower Phagli RD 0/0 to 0/100 (ward no 8). / Sh. Gian Singh / 227-36 dated 07/12/2016 / 293273/-	292554/- / 250524/-
78 / 244(2016-17)	Provision &Improvement of sewerage system, sewer line in ward no.11 of Shimla town (SH:- P/L of 150mm dia sewar line from Sodhi building to existing MC Manhole at Krishna nagr) / Sh. Tara Chand / 11470-79 dated 21/01/2017 / 409113/-	440021/- / 372731/-
76/ 286/(2016-17)	Provision &Improvement of sewerage system, sewer line in ward no.19 of Shimla town (SH:- P/L of 150mm diasewar line from narinder building cemetery NegiNiwas at BhattaKuffar OM Niwas to Hans Raj Building Gahan and BariageeNiwas to existing IPH manhole GahanSanjauli) / Sh. Adarsh Gautam / 13209 -18 dated 20/02/2017 / 998379/-	1031084/- / 906805/-
952/ 1964/RB/16	Construction of steps from rirka car parking to Gautamniwas at village rirkatutikandi RD 0/0 to 0/075 (SH:- P/L chequered tiles, in ward no. 8) / Sh. Vijay Soulanki / 3607 dated 14/12/2016/ 84158/-	84158/- / 71533/-
279/ 2059/RB/16	Road from cart road petrol pump to Directorate of Animal Husbandry baluganj (SH:- P/L Soling C.C	357262/- / 238388/-

	(1:6:12 & 1:2:4) in ward no. 7 / Sh. Lakshya Sharma / 468 dated 4/3/17 / 357286/-	
283/ 3066/RB/16	Restoration of rain damage on public path from sr. sec. school to Shiv nagar, Totu RD 0/0 to 0/120 (SH:- Toe wall at RD 0/040 to 0/050) in ward no. 6 / Sh.Jeet ram / 1072 dated 1/5/17 / 386409/-	385207/- / 327426/-
942/ 4414/RB/16	Special repair and maintenance of R&B & Drawing branch allotted in D.C office / Sh. Satish Jqgta / 3728 dated 24/12/16 / 429053/-	429053/- / 364694 /-
994/ 3806/RB/15	Special repair of MC Qtrs. Allotted to sh. Mohan lal Thakur near below railway lboard at A.g CHOWK IN WARD NO. 4 / Sunil Sharma / 3206 dated 20/10/16 / 135891/-	118112/- / 100396/-
879/ 3887/RB/16	Restoration of rain damage on various path in Krishna nagar (SH: c/o R/Wall) in ward no. 11 / Sh. Rajesh Sharma / 208 dated 27/01/2017 / 430438/-	419380/- / 356475/-
932/ 1786/RB/14	Construction of R.C.C nallah near patwarkhanapanthaghati in kasumpati in ward no. 21 / Uma Shankar / 1915 dated 27/9/15 / 475452/-	474483/- / 385225/-
284/ 1300/MU/16	Path from Shankar lalniwas to Sh. O.P kaishthaNiwas& Sharma Niwas near begam Lodge (SH:- R/Wall & S/R of steps C.C flooring) in ward no.7 / Sh. Vinay / / Sh. Vinay /186 dated 17/10/16 / 178290/-	106601/- / 90611/-
279/ 6127/MU/15	Path from H.P Govt. Press to chakkar road via Sh. S.K Sood& Sh. Lashkri Ram Sood RD 0?0 to 0/160 (SH:- p/L C>C flooring) in ward no. 7 / Shy. Khem Raj / 3516 dated 5/12/16 / 421385/-	102625/- / 87231/-

284/ 1591/Rb/16	Special repair of MC complex at totu (SH:- ceiling, steel work and white washinf etc.) in ward no. 6	420498/- / 357423/-
301/RB/17	Repair & Maintenance of public toilet at fruit market in ward no. 12	324840/- / 276115/-
280 / 1798 / RB / 17	Periodical renewal coat on various roads / paths in ward no. 13 (Lower bazaar, PL 30 mm thick bitumen coat)/ Sh. Naresh Kumar Vij / 689 dated 25/03/2017 / 1081350/-	1084310/- / 1030095/-
279/ 3894/RB/ 16	Road / Path leading to Hari Kunj to Chauhan Niwas (SH:- Shape drain RD 0/0 to 0/180) in ward no. 14 Jakhoo. / Sh. Satish Jagta / 1245 / 22/5/2017./ 85995/-	82373/- / 70017/-
279 / 2250/RB/16	(i) Co path near land of Med ram geeta and roshan (ii) c/o ambulance road at kagnadhar phase –II new shimla ward no. 23 / sh. Sanjeev kumar / 385 dated 21/02/2017 / 399381/-	Restricted to 399381/- / 3500304/-
279 3709/RB/16	c/o r/wall and water bauri in Krishna nagar near rajiv bhavan shimla in ward no. 11 / ar butt / 3657 / 20/12/16 / 471077/-	374492/- / 318318/-

16.11 Not justifying about allowing contractors to procure cement from open market when cement was available in store :-

R & B

It was observed during the audit that for the execution of developmental works the contractor procured the cement from the open market, however the cement was available in store during that time period and same could be issued from the store. But neither it was issued from store nor it was clarified that why contractors were allowed to procure cement from market when the cement was available in store and could be issued so that cement of required quality / standard could be used in developmental works. Few related instances are mentioned below. Municipal Corporation was asked vide audit memo no. 33 dated 28/04/2022 and 40 dated 10/05/2022 to justify about it but no reply was given till the

conclusion of the audit, therefore, either it may be justified or got regularized with the sanction of competent authority under intimation to audit.

Voucher no. / Dairy no.	Name of work / name of contractor / Name of contractor / Award letter no. & date / Awarded amount	Gross expenditure on work / net Payment	Date of start / Date of completion of work	Detail / Remarks
939 / 2563/RB/16	Restoration of rain damages on road sides from Dhalli tunnel to lower tunnel (C/o retaining wall RD 1/155 to 1/162) / Sh. Vinod Sharma / 180 dated 24/01/2017 / 193239/-	192601/- / 163711/-	27/01/17 / 02/02/17	For the execution of work 100 cement bags were procured by the contractor from the open market but as per page no. 64 to 65 of the stock register of R&B Deptt. Part II the cement was available in stock from 24/01/17 to 02/02/17.
938/3412/RB/16	Restoration of rain damages R/wall on road leading to mist chamber near bhandari house khalini to ward no. 24 / Sh. Yashwant singh 3761 / 29/12/2016 / 250420/-	248296/- / 199294/-	30/12/16 / 31/01/17	For the execution of work 65 cement bags were procured by the contractor from the open market but as per page no. 63 to 64 of the stock register of R&B Deptt. Part II the cement was available in stock from 30/12/16 to 31/01/17
908/ 3496/RB/16	C/o link road of Sh. Shiv Ram to house of Sh. Neeraj Kumar at Sec- 4, New Shimla (SH:- C/O B/wall) in ward No. 23.) / Inderjeet Singh / 137 dated 20/01/2017 / 198777/-	198777/- / 168963/-	23/01/17 / 09/02/17	For the execution of work 110 cement bags were procured by the contractor from the open market but as per page no. 64 to 65 of the stock register of R&B Deptt. Part II the cement was available in stock from 23/01/17 to 09/02/17.
940/2265/R	C/O toilet at	108903/-	18/01/17 /	For the execution of

B/16	Chottashimla, /Sh. Prem chand Thakur / 97 / 16/01/2017 / 142840/-	/ 92568/-	08/02/17	work 15 cement bags were procured by the contractor from the open market but as per page no. 64 to 65 of the stock register of R&B Deptt. Part II the cement was available in stock from 18/01/17 to 08/02/17
3887/RB/16	Restoration of various paths in Krishna Nagar (SH :- c/of R/W) in ward no. 11. / sh. Rajesh Sharma / 208/ 27/01/17 / 430438/-	419380/- / 356475/-	27/01/17 / 18/02/17	For the execution of work 200 cement bags were procured by the contractor from the open market but as per page no. 64 to 65 of the stock register of R&B Deptt. Part II the cement was available in stock from 27/01/17 to 18/02/17
909/2829/RB/16	Restoration of rain damages leading to Dhalli tunnel from Neridhar NH-22, RD 0/0 to 1/700 (C/o retaining wall RD 0/465 to 0/485) / Sh. Surjeet Singh / 240 dated 31/01/2017 / 403736/-	403521/- / 342988/-	02/02/17 / 25/02/17	For the execution of work 210(90+120) cement bags were procured by the contractor from the open market but as per page no. 65 to 66 of the stock register of R&B Deptt. Part II the cement was available in stock from 02/02/17 to 25/02/17
995/2543/RB/16	Restoration of rain damages in path to Darni ka Bagicha between RD 0/200 to 0/240) in ward no. 11. / Sh. Durgesh Singh / 94/ 16/01/2017/449009/-	442224/- / 375891/-	17/01/17 / 11/02/17	For the execution of work 212 cement bags were procured by the contractor from the open market but as per page no. 64 to 65 of the stock register of R&B Deptt. Part II the cement was available in stock from 17/01/17 to 11/02/17
956/2605/RB/16	Restoration of rain damages (SH:- C/O R/wall on the road	275585/- / 234246/-	22/12/16 / 28/01/17	For the execution of work 130 cement bags were procured by the

	leading to bye pass from St. Edward school between RD 0/450/ to 0460) in ward No. 25 / Sh. Davinder Thakur / 3501 dated 02/12/16/ 281328/-			contractor from the open market but as per page no. 62 to 64 of the stock register of R&B Deptt. Part II the cement was available in stock from 22/12/16 to 28/01/171. .
992 / 3950/RB/15	C/O ambulance road from cpwd colony curve to upper chakkar (R/Wall ED 0/200 to 0/225) ward no. 7. / Sh. Manmohan Sharma / 3396 dated 15/11/2016 / 163374	163335/- / 126278/-	21/11/16 / 26/12/16	For the execution of work 28 cement bags were procured by the contractor from the open market but as per page no. 60 to 63 of the stock register of R&B Deptt. Part II the cement was available in stock from 21/11/16 to 26/12/16..
1036/RB/15	C/O Restoration of rain damages on road from NH-22 to house kachighatishimla Rd 0/0 to 0/450 (R/Wall ED 0/123 to 0/138) ward no. 7. / Sh. Dalipkumar / 1129 dated 15/06/2015 / 245355	142733/- / 60307/-	19/06/15 / 15/09/15	For the execution of work 90 cement bags were procured by the contractor from the open market but as per page no. 43 to 45 of the stock register of R&B Deptt. Part II the cement was available in stock from 19/06/15 to 15/09/15.
980 / 2725/RB/15	C/O MC road from lower summer- hill Police Chowki to Sahamshanghat RDE 0/0 to 0/300 (SH :- pl stone soiling bCC flooring 1:2:4 at RD 0/0/ 0/300) in ward no. 5, Sh. Sushil Sharma , 3080/ dated 04/10/2016/ 350604/-	345620/- / 218399/-	07/10/16 / 07/12/16	. For the execution of work 35 cement bags were procured by the contractor from the open market but as per page no. 58 to 62 of the stock register of R&B Deptt. Part II the cement was available in stock from 07/10/16 to 07/12/16
980 / 2725/RB/15	CO of R wall and steps near Hateshwari Mandir sector -1, New shimla& CO of drain at sector -3 in ward no.	135412/- / 115186/-	06/01/17 / 30/01/17	For the execution of work 100 cement bags were procured by the contractor from the open market but as per page

	23. / Sh.Bilal Ahmed /30 dated 06/01/2017 / 143826			no. 64 to 65 of the stock register of R&B Deptt. Part II the cement was available in stock from 06/01/17 to 30/01/17.
1331 (Amrut) 287/RB/17	Development of path from Gol pahari to military baraksannadale (C/O of r/w in ward no. 4, Amrut) / sh. Dheeraj parmar / 361 / 17/02/2017 / 1162833/-	853031/- / 685888/-	15/11/16 / work in progress	For the execution of work 38 cement bags were procured by the contractor from the open market but as per page no. 60 to 64 of the stock register of R&B Deptt. Part II the cement was available in stock from 15/11/16 to 24/01/17.

16.12 Not levying the penalty under relevant clause of agreement for delay in completion of developmental works: -

R & B

During the audit it was observed that developmental works mentioned below in table work were not completed within the time stipulated for their completion but neither the sanction of competent authority was shown for extending the time for completion of these works nor the recovery of penalty was done for delay in completion of works as per norms mentioned under clause 2 of the agreement which is irregular. The Municipal Corporation office was asked to justify this irregularity vide audit memo no. 33 dated 28/04/2022 and 62 dated 11/07/2022 but no reply was given till the conclusion of the audit, therefore, either justification in this regard may be given or the amount of penalty may be calculated and recovered from appropriate source and shown to the audit.

Voucher no. / Diary no.	Name of work / Name of contractor / Award letter no. & date / Awarded amount .	Gross / net payment	Date of start / Date of completion / MB No. / page no.	Remarks
965/2655 /RB/15	Restoration of rain damages (SH :-Co	237696/- / 147177/-	28/04/16 / 05/11/16 / two	As per award letter the time period

	side drain in ward no. 1) sh. Ashok Kumar / 54/ 06/01/16 / 281005/-		months / 2283/973(19 - 21)	allowed for the completion of work was two months according to which the work was to be completed till 14/03/16 but it completed as on 05/11/2016.
932/1786 /RB/14	Construction of R.C.C nallah near patwarkhanapantha ghati in kasumpati in ward no. 21 / Uma Shankar / 1915 dated 27/9/15 / 475452/-	474483/- / 385225/-	7/5/2016/ 3/9/16/ /One month/ 2122/812 (23-34)	The time period for completion of work was extended from 25/11/2015 to 30/4/2016 however the work was completed on dated 3/9/2016.
284/1300 /MU/16	Path from Shankar lalniwas to Sh. O.P kaishtha Niwas & Sharma Niwas near begam Lodge (SH:- R/Wall & S/R of steps C.C flooring) in ward no.7 / Sh. Vinay // Sh. Vinay /186 dated 17/10/16 / 178290/-	106601/- / 90611/-	DOS- 20/10/2016/ DOC- 27/2/2017/ One month/ MB No.2402/1092 (17-20)	The time period for completion of work was extended from 17/10/2016 to 13/12/2016 however the work was completed on dated 27/2/2017.

16.13 Non Deduction of water charges: -

During the audit it was observed that water charges were not deducted before releasing the payment to contractor in respect of the developmental work mentioned below. In this context Municipal Corporation office was asked to justify about it vide audit memo no. 33 dated 28/04/2022 as neither certification relating to deduction of water

R & B

charges was recorded on measurement book nor the bills relating to purchase of water were found attached in file but no reply was given to audit till the conclusion of the audit. Therefore, either the justification in this regard may be given or water charges may be recovered from appropriate source at prescribed rate in this regard and shown during next audit.

Voucher no. / Diary no.	Name of work / Name of contractor / Award letter no. & date / Awarded amount .	Gross / net payment	MB No. / page no.
938/3412/ RB/16	Restoration of rain damages R/wall on road leading to mist chamber near bhandari house khalini to ward no. 24 / Sh. Yashwant singh 3761 / 29/12/2016 / 250420/-	248296/- / 199294/-	2290/ 980 (7 to 11)

16.14 Not signing / approving the work bills related documents: -

R & B During the audit, it was observed that the related documents of work bills viz. estimate, justification statements, comparative statements, award letters, negotiation letters etc. were not found signed / approved by the concerned authorities as detailed below, which is irregular. Municipal Corporation office was asked to justify this verbally and vide audit memo no.33 dated 28/04/2022, 40 dated 10/05/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62 dated 11/07/2022 but no justification / reply was given till the conclusion of the audit. Therefore, either it may be justified or failing which the compliance may be shown after doing the needful in this regard.

Voucher no. / Diary no.	Name of work / Name of contractor / Award letter no. & date / Awarded amount .	Gross / net payment	Detail/ Remarks
939/ 2563/RB/16	Restoration of rain damages on road sides from Dhalli tunnel to lower tunnel (C/o retaining wall RD 1/155 to 1/162) / Sh. Vinod Sharma / 180 dated 24/01/2017 / 193239/-	192601/- / 163711/-	Estimate, Justification amount and comparative statement was not signed by EE.
938/3412/ RB/16	Restoration of rain damages R/wall on road leading to mist chamber near bhandari house khalini to ward no. 24 / Sh. Yashwant singh 3761 /	248296/- / 199294/-	Estimate, Justification amount and comparative statement was not

	29/12/2016 / 250420/-		signed by EE.
908/ 3496/ RB/16	C/o link road of Sh. Shiv Ram to house of Sh. Neeraj Kumar at Sec-4, New Shimla (SH:- C/O B/wall) in ward No. 23.) / Inderjeet Singh / 137 dated 20/01/2017 / 198777/-	198777/- / 168963/-	Justification amount and comparative statement was not signed by EE.
927/ 3070/RB/ 16	Restoration of rain damages on path from Nalagar road to bangle colony RD 0/0 to 0/200(SH:- C/o R/Wall and CC flooring etc.)/ Jang bahadur / 294 / 07/02/2017 / 176830/-	157968/- / 120691/-	1. the item wise justification was not signed aby the EE due to which justification amount 245840/- reached at was not reliable. 2. Estimate was not signed by EE.
940/2265/RB/16	C/O toilet at Chottashimla, /Sh. Prem chand Thakur / 97 / 16/01/2017 / 142840/-	108903/- / 92568/-	Justification amount and comparative statement was not signed by EE.
3887/RB/16	Restoration of various paths in Krishna Nagar (SH :- c/of R/W) in ward no. 11. / sh. Rajesh Sharma / 208/ 27/01/17 / 430438/-	419380/- / 356475/-	Justification amount and comparative statement was not signed by EE.
909/2829/RB/16	Restoration of rain damages leading to Dhalli tunnel from Neridhar NH-22, RD 0/0 to 1/700 (C/o retaining wall RD 0/465 to 0/485) / Sh. Surjeet Singh / 240 dated 31/01/2017 / 403736/-	403521/- / 342988/-	1.Work estimate was not approved by AE and EE. 2. Award letter was not signed by competent authority. 3.Justification amount 427167/- and comparative statement was not approved by EE.
941/3184/RB/16	Restoration of rain damages	972286/-	Work estimateand

	ambulance road from prem cottage to negi house(SH:- RD 0/020 to 0/060) ward no. 3 / 10 dated 02/01/2017 / 1037741/-	/ 748064/-	justification amount was not approved by AE and EE.
1894/RB/16 & 893/2372/RB/17	Mc path from chakkar road near ghai house to NH road via shimla view cottage RD 0/0 to 0/075) ward no. 7 / Jawahar singh 3005 / dated 24/09/2016 / 317688/-	315248/- / 241849/-	Estimate, final justification amount 350800/- and comparative statement was not approved by EE.
995/ 2543/RB/16	Restoration of rain damages in path to Darni ka Bagicha between RD0/200 to 0/240) in ward no. 11. / Sh. Durgesh Singh / 94/ 16/01/2017/449009/-	442224/- / 375891/-	.Estimate Rs. 489300/- was not approved by Executive Engineer.
956/ 2605/RB/16	Restoration of rain damages(SH:- C/O R/wall on the road leading to bye pass from St. Edward school between RD 0/450/ to 0460) in ward No. 25 / Sh. Davinder Thakur / 3501 dated 02/12/16/ 281328/-	275585/- / 234246/-	Comparative statement and estimate Rs. 489300/- was not approved by Executive Engineer.
980/ 3898/RB/15	Providing and fixing MS Panel railing on the path leading towards Sheesh Ram house from Kainth Estate in ward no. 9./ Sh. Sunil Sharma / 3153 dated 14/10/2016/ 142979/-	142978/- / 111081/-	Estimate Rs. 149700/- was not signed / approved by Executive Engineer
992 / 3950/RB/15	C/O ambulance road from CPWD colony curve to upper chakkar (R/Wall ED 0/200 to 0/225) ward no. 7. / Sh. Manmohan Sharma / 3396 dated 15/11/2016 / 163374	163335/- / 126278/-	Estimate of Rs. 172000/- was not signed / approved by EE.
980 / 2725/RB/15	C/O MC road from lower summer-hill Police Chowki to Sahamshanghat RDE 0/0 to 0/300 (SH :- pl stone soiling CC flooring 1:2:4 at RD 0/0/ 0/300) in ward no. 5, Sh. Sushil Sharma , 3080/ dated	345620/- / 218399/-	Estimate Rs. 16800/- was not signed / approved by EE.

	04/10/2016/ 350604/-		
1331 (Amrut) 287/RB/17	Development of path from Gol pahari to military baraksannadale (C/O of r/w in ward no. 4, Amrut) / sh. Dheeraj parmar / 361 / 17/02/2017 / 1162833/-	853031/- / 685888/-	1. Comparative statement and justification amount was not approved by the EE. 2. Duly approved estimate was not shown.
280 / 1798 / RB / 17	Periodical renewal coat on various roads / paths in ward no. 13 (Lower bazaar, PL 30 mm thick bitumen coat)/ Sh. Naresh Kumar Vij / 689 dated 25/03/2017 / 1081350/-	1084310/- / 1030095/-	1. Comparative and justification amount was not signed / approved by EE. 2. Estimate Rs. 1134927/- was not shown.
279/ 3177/RB/16	Restoration of rain damages of road from NH-22 to Dadal house near hotel the rock castle (SH: wire crate) in ward bo. 7./Sh A.R. Butt / 906 dated 19/04/17 / 644672/-	519684/- / 441731/-	1. Comparative statement and justification amount was not signed by EE. 2. Estimate was not signed by EE.
279/ 3894/RB/ 16	Road / Path leading to Hari Kunj to Chauhan Niwas (SH:- Shape drain RD 0/0 to 0/180) in ward no. 14 Jakhoo. / Sh. Satish Jagta / 1245 / 22/5/2017./ 85995/-	82373/- / 70017/-	Comparative statement and justification amount statement was not signed / approved by the EE.
289 / 3250/ RB/16	Restoration of rain damages from dumping site near jaswal house boileauganjcowk to chakkarchokrd 0/530 to 0/570 in ward no. 7 devender / 600 dated 15/03/2017 / 1957180 /-	1957180/- / 1506923/-	1. Justification amount amounting to Rs. 2494119.57 was not signed / approved by EE. 2. Estimate was not signed / approved

			by AE and EE.
939 / 2830/RB/16	Restoration of rain damages on road from long wood chowk to harvengton (sh :- co retaining wall rd 00/42 to 0/051 mtrs) ward no. 1 / sh Vinod Sharma / 140 dated 21/01/2017 / 42138 /-	41237/- / 35052/-	. 1. Analysis of rates of different items based on which the justified amount of Rs. 45183 was derived were not signed / approved by EE. 2. Estimate Rs. 44400/- was not signed / approved by EE and AE.
279 / 2250/RB/16	Co path near land of Med ram geeta and roshan (ii) c/o ambulance road at kagnadhar phase –II new shimla ward no. 23 / sh. Sanjeev kumar / 385 dated 21/02/2017 / 399381/-	Restricted to 399381/- / 3500304/-	Comparative statement and justification amount was not signed approved by EE.
280/1274/RB/17	Periodical renewal coat on various roads / paths in ward no. 20 malyana of mc shimla (PL 30 mm thick bitumen concrete)/ Sh. Naresh Kumar Vij / 1036 dated 29/04/2017 / 2376000/-	2373231/- / 2245570/-	1. Comparative statement and justification amount was not signed / approved by EE. 2. Estimate Rs. 2522061/- was not shown.
76/ 286/ (2016-17)	Provision &Improvement of sewerage system, sewer line in ward no.19 of Shimla town (SH:- P/L of 150mm diasewar line from narinder building cemetery NegiNiwas at BhattaKuffar OM Niwas to Hans Raj Building Gahan and BariageeNiwas to existing IPH manhole GahanSanjauli) / Sh. Adarsh Gautam / 13209 -18 dated 20/02/2017 / 998379/-	T1031084/- / 906805/-	Comparative statement and justification amount was not signed / approved. by EE.
952/	Construction of steps from car	84158/-	Item wise analysis

1964/RB/16	parking to Gautamniwas at village rirkatutikandi RD 0/0 to 0/075 (SH:- P/L chequered tiles, in ward no. 8) / Sh. Vijay Soulanki / 3607 dated 14/12/2016/ 84158/-	/ 71533/-	of rates based on which the justification amount Rs. 94916/- was derived were not found attached in related file.
280/ 1261/RB/17	Periodical renewal coat on various roads/paths in ward no. 7 (Baluganj) of MC Shimla for the year 2017-18 P/L 30mm thick bituminous concrete) / Sh. Naresh Kumar / 1015 dated 26/4/17 / 1545192/-	1094723/- / 1018840/-	The analysis of rates of different items on the basis of which the justification amount reached at and comparative statement was not signed / approved by EE.
283/ 3067/RB/16	Restoration of rain damage on public path from pump house to govind ram house RD 0/0 to 0/130 (SH:- R/Wall & B/Wall 0/30 top 0/46) in ward no. 6 / Sh. Jeet Ram / 1071 dated 1/5/17 / 376641/-	376539/- / 300473/-	The analysis of rates of different items and justification amount reached at and comparative statement and estimate 368000/- was not signed / approved by EE.
283 3066/RB/16	/ Restoration of rain damage on public path from sr. sec. school to Shiv nagar, Totu RD 0/0 to 0/120 (SH:- Toe wall at RD 0/040 to 0/050) in ward no. 6 / Sh.Jeet ram / 1072 dated 1/5/17 / 386409/-	385207/- / 327426/-	The analysis of rates of different items relating to work and justification amount reached at on this basis and comparative statement was not signed / approved

			by EE.
942/ 4414/RB/16	Special repair and maintenance of R&B & Drawing branch allotted in D.C office / Sh. Satish Jqgta / 3728 dated 24/12/16 / 429053/-	429053/- / 364694 /-	Analysis of rates in respect of item no. 6 to 15 are not signed / approved by EE.
994/ 3806/RB/15	Special repair of MC Qtrs. Allotted to sh. Mohan lal Thakur near below railway board at AG CHOWK IN WARD NO. 4 / Sunil Sharma / 3206 dated 20/10/16 / 135891/-	118112/- / 100396/-	The analysis of rates of different items relating to work and justification amount reached at on this basis and comparative statement was not signed / approved by EE.
939/ 253/RB/17	Removal of snow and supply and spreading of crusher sand on various paths/ road in ward no. 13 for the year 2016-17 / Sh. Vinod Sharma / 492 dated 06/03/2017 / 133849/-	455923/-/ 446805/- (2 nd & final bill of 06/2017)	The analysis of rates of different items relating to work and justification of rates statement made on this basis along with the comparative statement was not signed / approved by EE.
946/ 3286/RB/16	Renovation of public toilet at Ram bazar Shimla in ward no. 12 / Raj Bahadur / 3709 dated 23/12/16 / 842144/-	856595/- / 691528 /-	The analysis of rates of different items relating to work and justification of rates statement made on this basis along with the comparative statement was not signed / approved by EE.

879/ 3887/RB/16	Restoration of rain damage on various path in Krishna nagar (SH: c/o R/Wall) in ward no. 11 / Sh. Rajesh Sharma / 208 dated 27/01/2017 / 430438/-	419380/- / 356475/-	The analysis of rates of different items relating to work and justification of rates statement made on this basis along with the comparative statement was not signed / approved by EE.
284/ 1300/MU/16	Path from Shankar lalniwas to Sh. O.P kaishtaNiwas& Sharma Niwas near begam Lodge (SH:- R/Wall & S/R of steps C.C flooring) in ward no.7 / Sh. Vinay // Sh. Vinay /186 dated 17/10/16 / 178290/-	106601/- / 90611/-	Rate analysis of item no. 2 to 9 are not approved.

16.15 Miscellaneous observations: -

During the audit following miscellaneous observations relating to work bills were observed and municipal corporation office was asked to attend these observations vide audit memo no. 33 dated 28/04/2022, 40 dated 10/05/2022, 49 dated 21/06/2022, 54 dated 27/06/2022, 58 dated 03/07/2022 and 62 dated 11/07/2022 but neither any reply was given nor related record was provided by the MC office. Therefore, besides justifying the related may be provided during next audit.

Voucher no. / Diary no.	Name of work / Name of contractor / Award letter no. & date / Awarded amount .	Gross / net payment	MB No. / page no.	Detail
939 / 2563/RB/16	Restoration of rain damages on road sides from Dhalli tunnel to lower tunnel (C/o retaining wall RD 1/155 to 1/162) / Sh. Vinod Sharma / 180 dated 24/01/2017 / 193239/-	192601/- / 163711/-	2291/981 (28 to 31)	As per the tender notice dated 02/12/2016 enclosed in the file the tenders should have been sent/deposited on 28/12/2016 upto 11AM and same were

				to be opened at 11.30 AM of the same date however the tenders were opened on dated 02/01/2017 at 11.30 AM but no reply was given which may be justified.
927/ 3070/RB/ 16	Restoration of rain damages on path from Nalagarh road to bangle colony RD 0/0 to 0/200(SH:- C/o R/Wall and CC flooring etc.)/ Jang bahadur / 294 / 07/02/2017 / 176830/-	157968/- / 120691/-	2213/903 (page no. 89to 92)	MB no. 2109/799 was sought for the verification of quantity of following items which was not provided to audit which may be provided during next audit :- (a) PL 1:2:4= 4.17 cubm X 3700= 15429/-(P no. 96) (b) Providing form work with steel plates= 6.99 sqm x 75/-= 524/-(P.No. 95)
909 /2829/ RB/16	Restoration of rain damages leading to Dhalli tunnel from Neridhar NH-22, RD 0/0 to 1/700 (C/o retaining wall RD 0/465 to 0/485) / Sh. Surjeet Singh / 240 dated 31/01/2017 / 403736/-	403521/ - / 342988/-	1700/390 (page no. 83 to 91)	1. Indent no. 4409 dated 6/5/16 (50 bags) and 4421 dated 22/7/16 (50 bags) relating to issue of cement was not shown which may be shown during next audit. 2.As per award letter the work was to be executed between RD 0/0 to 1/700 (SH :- C/o retaining wall RD 0/465 to 0/485) but the various items i.e.

				<p>cutting, excavation, pl 1:6:12, RR masonry, in cm 1:6 of work were executed between the RDs as detailed below but no reply was given hence same may be justified during next audit.</p> <table><tr><th>Page no. of MB</th><th>RD</th></tr><tr><td>83,84</td><td>0/243 to 0/267.50</td></tr><tr><td>85,86, 87</td><td>0/751.80 to 0/765.40 and 0/462 to 0/476.70</td></tr></table>	Page no. of MB	RD	83,84	0/243 to 0/267.50	85,86, 87	0/751.80 to 0/765.40 and 0/462 to 0/476.70
Page no. of MB	RD									
83,84	0/243 to 0/267.50									
85,86, 87	0/751.80 to 0/765.40 and 0/462 to 0/476.70									
941/3184/RB /16	Restoration of rain damages ambulance road from prem cottage to negi house(SH:- RD 0/020 to 0/060) ward no. 3 / 10 dated 02/01/2017 / 1037741/-	972286/- / 748064/-	2285/975 (page no. 83 to 91)	During the audit notice inviting tenders was not shown due to which the necessary verification about whether the tenders were submitted and opened on stipulated dates as per notice, couldn't be done hence besides justifying the concerned record may be provided during next audit.						
995/2543/RB /16	Restoration of rain damages in path to Darni ka Bagicha between RD0/200 to 0/240) in ward no. 11. / Sh. Durgesh Singh / 94/ 16/01/2017/449009/-	442224/- / =375891/-	2056/746 (page no. 85 to 87)	Cutting in rate (Rs. 450/-) item no. 1, excavation in earth work) of tender of Sh. Roshan Lal was not found mentioned on tender by tender opening committee at						

				the time of opening but no reply was given in this regard which may be justified and got regularized.
956 / 2605/RB/16	Restoration of rain damages(SH:- C/O R/wall on the road leading to bye pass from St. Edward school between RD 0/450/ to 0460) in ward No. 25 / Sh. Davinder Thakur / 3501 dated 02/12/16/ 281328/-	275585/- / 234246/-	2137/827 (page no. 62 to 64)	Cutting in item rate in (item no. 3 PL 1:6:12, Rs. 2750/-) in tender of Sh. Davinder Thakur was not mentioned by tender opening committee and no reply was given during audit which may be justified and got regularized.
980/ 3898/RB/15	Providing and fixing MS Panel railing on the path leading towards Sheesh Ram house from Kainth Estate in ward no. 9./ Sh. Sunil Sharma / 3153 dated 14/10/2016/ 142979/-	142978/- / 111081/-	2279/969 (page no. 11 to 13)	1. It was observed that the negotiation was done on the rates of Sh.Sushil Sharma whose rates were on higher side than the rates of sh. Sunil Sharma and due to this the possibility of loss to municipal exchequer couldn't be ruled out but no reply was given to audit in this regard hence it may be justified and got regularized. 2. During the audit notice inviting tenders was not shown due to which the necessary verification about

				whether the tenders were submitted and opened on stipulated dates as per notice, couldn't be done hence besides justifying the concerned record may be provided during next audit.
980 / 2725/RB/15	C/O MC road from lower summer- hill Police Chowki to Sahamshanghat RDE 0/0 to 0/300 (SH :- pl stone soiling CC flooring 1:2:4 at RD 0/0/ 0/300) in ward no. 5, Sh. Sushil Sharma , 3080/ dated 04/10/2016/ 350604/-	345620/- / 218399/-	2352/1042 (page no. 14 to 16)	During the audit notice inviting tenders was not shown due to which the necessary verification about whether the tenders were submitted and opened on stipulated dates as per notice, couldn't be done hence besides justifying the concerned record may be provided during next audit.
980 / 2725/RB/15	CO of R wall and steps near Hateshwari Mandir sector -1, New shimla& CO of drain at sector -3 in ward no. 23. / Sh.Bilal Ahmed /30 dated 06/01/2017 / 143826	135412/- / 115186/-	2399/1089 (page no. 1 to 7)	-Do-
1331 (Amrut) 287/RB/17	Development of path from Gol pahari to military baraksannadale (C/O of r/w in ward no. 4, Amrut) / sh. Dheeraj parmar / 361 /	853031/- / 685888/-	2353/1043 (page no. 21 to 24)	-Do-

	17/02/2017 / 1162833/-			
280 / 1798 / RB / 17	Periodical renewal coat on various roads / paths in ward no. 13 (Lower bazaar, PL 30 mm thick bitumen coat)/ Sh. Naresh Kumar Vij / 689 dated 25/03/2017 / 1081350/-	1084310/- / 1030095/-	2223/913 (64 to 70)	<p>1. During the audit the FDR register was not shown to verify the FDR of 52 lakhs (FDR No. 410841 dt. 14/07/17) as the security was not deducted before releasing payment and same was adjusted against FDR amount lying with MC which may be justified and shown during next audit.</p> <p>2. It was observed that dates of start and completion of work were not mentioned in MB due to which whether the work was completed within the stipulated time of one month it couldn't be verified. Hence besides justifying the required information may be provided for required verification as stated above.</p> <p>3.. It was observed that pass order of competent authority not recorded in MB which may be justified followed with required action in this regard under</p>

				intimation to audit. .
279/ 3177/RB/16	Restoration of rain damages of road from NH-22 to Dadal house near hotel the rock castle (SH: wire crate) in ward bo. 7./Sh A.R. Butt / 906 dated 19/04/17 / 644672/-	519684/- / 441731/-	2446/1136 (5 to 9)	1.It was observed that pass order of competent authority was not recorded on MB which may be justified followed with required action in this regard under intimation to audit. 2. It was observed that as per notice inviting tender no. 3496 dated 2/12/16 the tender was to be submitted before 28/12/16 and was to be opened on the same at 11/30 AM but the tenders were opened on 02/01/17 at 11.30 AM but no reply was given for delay in opening of tenders, hence, required justification may be given during next audit.
280 / 1274/RB/17	Periodical renewal coat on various roads / paths in ward no. 20 malyana of mc shimla (PL 30 mm thick bitumen concrete)/ Sh. Naresh Kumar Vij / 1036 dated 29/04/2017 / 2376000/-	373231/- / 2245570/-	2384/1074 (27 to 36)	1. It was observed that before releasing payment to the contractor deduction of Rs. Rs.9000/- was done on account of robot usage charges but the detailed information relating to use of robot was neither found mentioned nor was

				<p>provided during the audit. Hence besides justifying concerned information may be provided during the audit for verifying the correctness of above deduction.</p> <p>2. During the audit the FDR register was not shown to verify the FDR of 52 lakhs (FDR No. 410841 dt. 14/07/17) as the security was not deducted before releasing payment and same was adjusted against FDR amount lying with MC which may be justified and shown during next audit.</p> <p>3. It was observed that as per E-procurement notice no. MCS/XEN/R&B dated 04/02/17 inviting bids the submission date was 25/02/2017 and end date was 05/03/2017 but the online bids were submitted on dated 14/03/2017 but no reply was given in respect of delay in submission of tenders which may be</p>
--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

				<p>justified along with related record in this regard.</p> <p>4.. The sanction and rate analysis in respect of following extra item was not shown during the audit hence besides justifying the related record may be shown during next audit.</p> <p>“ PL bitumen macadam with hot mix plant using crushed aggregate= 1981 sqm x 450 per sqm= 891450/- (EI)”</p> <p>5. Royalty was not deducted on items “PL 30 mm thick bitumen concrete = 3571.55 and P/L macadam with hot mix plant using crushed aggregate= 1981 sqm.</p>
266/ (2016-17)	Implementation of the Sewerage System rehabilitation scheme for Shimla Town (SH:- Supply & erection of MSERW pipe 250mm dia) / M/s Hydrilic engineering limited/ 13079-88 dt. 16/02/17 / 627660/-	624911/- / 587417/-	MB No.915 page no. (5-8)	During the audit the FDR register was not shown to verify the FDR as the security was not deducted before releasing payment and same was adjusted against FDR amount lying with MC which may be justified and shown during next audit.

288/ (2016-17)	Implementation of the Sewerage System rehabilitation scheme for Shimla Town STPMalyana(SH:- Supply & erection of Sludge pump and allied accessories) / M/s Hydrilic engineering limited/ 13264-73 dt. 21/02/17 / 1299218/-	1299218/- / 1221265/-	MB No.915 Page No. (11-15)	1. During the audit the FDR register was not shown to verify the FDR as the security was not deducted before releasing payment and same was adjusted against FDR amount lying with MC which may be justified and shown during next audit. 2. The tenders relating to contractors Sh. Virender Thakur and Sh. Roshan Chauhan were not provided during the audit due to which the rates taken in comparative statement couldn't be verified hence besides justifying the same may be provided during next audit.
952/ 1964/RB/16	Construction of steps from rirka car parking to Gautamniwas at village rirkatutikandi RD 0/0 to 0/075 (SH:- P/L chequered tiles, in ward no. 8) / Sh. Vijay Soulanki / 3607 dated 14/12/2016/ 84158/-	84158/- / 71533/-	MB No.2252/942 page No. (84-87)	.It was observed that pass order of competent authority was not recorded on MB which may be justified followed with required action in this regard under intimation to audit.
279/ 2059/RB/16	Road from cart road petrol pump to Directorate of Animal	357262/- / 238388/-	MB No.2407/1097 page No. (8-	.1. It was observed that pass order of competent authority

	Husbandry baluganj (SH:- P/L Soling C.C (1:6:12 & 1:2:4) in ward no. 7 / Sh. Lakshya Sharma / 468 dated 4/3/17 / 357286/-		11)	was not recorded on MB which may be justified followed with required action in this regard under intimation to audit. 2. Notice inviting tenders was not shown due to which the audit regarding the tenders were submitted and opened on stipulated dates as per notice, it couldn't be verified hence same may be provided during next audit to verify the above dates.
280 / 1261/RB/17	Periodical renewal coat on various roads/paths in ward no. 7 (Baluganj) of MC Shimla for the year 2017-18 P/L 30mm thick bituminous concrete) / Sh. Naresh Kumar / 1015 dated 26/4/17 / 1545192/-	1094723/- / 1018840/-	MB No.2468/1158 page No. (24-27)	1. During the audit the FDR register was not shown to verify the FDR of 52 lakhs (FDR No. 410841 dt. 14/07/17) as the security was not deducted before releasing payment and same was adjusted against FDR amount lying with MC which may be justified and shown during next audit. 2. It was observed that before releasing payment to the contractor deduction of Rs. Rs.9000/- and 3000/- was done on

			<p>account of road roller and robot usage charges but the detailed information relating to use of road roller and robot was neither found mentioned nor was provided during the audit. Hence besides justifying concerned information may be provided during the audit for verifying the correctness of above deductions.</p> <p>2.It was observed that pass order of competent authority was not recorded in MB which may be justified followed with required action in this regard under intimation to audit.</p> <p>3. During the audit it was observed that online tenders were created on 14/03/2017 but in tender opening register and in comparative statement the tenders was shown opened on dated 10/03/2017 but no clarification was given, hence, it may be justified during</p>
--	--	--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

				next audit.
283/ 3067/RB/16	Restoration of rain damage on public path from pump house to govind ram house RD 0/0 to 0/130 (SH:- R/Wall & B/Wall 0/30 top 0/46) in ward no. 6 / Sh. Jeet Ram / 1071 dated 1/5/17 / 376641/-	376539/- / 300473/-	MB No.2181/871 page No. (91-94)	<p>1. During the audit it was observed that the work had been started on 20/12/2016 before the date of award of work dated 1/05/2017 which was not clarified hence it may be justified alongwith related record during next audit.</p> <p>2. It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.</p>
283/ 3066/RB/16	Restoration of rain damage on public path from sr. sec. school to Shiv nagar, Totu RD 0/0 to 0/120 (SH:- Toe wall at RD 0/040 to 0/050) in ward no. 6 / Sh.Jeet ram / 1072 dated 1/5/17 / 386409/-	385207/- / 327426/-	MB No.2181/871 page No. (97-99)	<p>1.It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.</p> <p>2. During the audit it was observed that the work had been started</p>

				on 24/03/2017 before the date of award of work dated 1/05/2017 which was not clarified hence it may be justified along with related record during next audit.
942/ 4414/RB/16	Special repair and maintenance of R&B & Drawing branch allotted in D.C office / Sh. Satish Jogta / 3728 dated 24/12/16 / 429053/-	429053/- / 364694 /-	MB No.2235/925 page No. (43-59)	<p>1. It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.</p> <p>2. During the audit MB no. 2110/800 was not provided due to which the required verification in respect of following items couldn't be done hence besides justifying the related record may be provided for necessary verification.</p> <p>(i) PF brass handles = 60 no. x 150/-=9000/-</p> <p>(ii) PF brass wall catcher = 45 no. x 42/-=1890/-</p> <p>(iii) PF hinges with screw = 42 no. x 255/-</p>

				= 10710/-
994/ 3806/RB/15	Special repair of MC Qtrs. Allotted to sh. Mohan lal Thakur near below railway lboard at A.g CHOWK IN WARD NO. 4 / Sunil Sharma / 3206 dated 20/10/16 / 135891/-	118112/- / 100396/-	MB No.2249/939 page No. (82-88)	It was observed that letter dated 15/10/2016 consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.
939/ 253/RB/17	Removal of snow and supply and spreading of crusher sand on various paths/ road in ward no. 13 for the year 2016-17 / Sh. Vinod Sharma / 492 dated 06/03/2017 / 133849/-	455923 446805/- (2 nd & final bill of 06/2017)	MB No.2142/832 page No. (69-73)	1.During the audit the MB no. 1945 / 635 (65 to 66) was not provided to audit due to which the first running bill and quantities carried forwarded to 2 nd running bill from ist running bill couldn't be checked hence besides justifying the concerned record may provided during next audit. [128850/- (Gross amount,) and Rs. 121526/- (net amount) of 1 st running bill]. 2.It was observed that the no deduction on account of security and sales tax was done before releasing

				<p>payment of 2nd and final bill which may be justified failing which same may be regularised with the sanction of competent authority under intimation to audit.</p> <p>3. It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.</p>
946/ 3286/RB/16	Renovation of public toilet at Ram bazaar Shimla in ward no. 12 / Raj Bahadur / 3709 dated 23/12/16 / 842144/-	856595/- / 691528 /-	MBNo.2218/9 08 page No. (44-54)	It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.
879 / 3887/RB/16	Restoration of rain damage on various path in Krishna nagar (SH: c/o R/Wall) in ward no. 11 / Sh. Rajesh Sharma / 208 dated 27/01/2017	419380/- 356475/-	MB No.2047/737 page no. (77-82)	It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no

	/ 430438/-			clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.
1300/MU/16	Path from Shankar lal niwas to Sh. O.P kaishtha Niwas & Sharma Niwas near begam Lodge (SH:- R/Wall & S/R of steps C.C flooring) in ward no.7 / Sh. Vinay / / Sh. Vinay /186 dated 17/10/16 / 178290/-	106601/- / 90611/-	MB No.2402/1092 page no. (17-20)	It was observed that letter dated 22/09/2016 consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.
6127/MU/15	Path from H.P Govt. Press to chakkar road via Sh. S.K Sood & Sh. Lashkri Ram Sood RD 0?0 to 0/160 (SH:- p/L C>C flooring) in ward no. 7 / Shy. Khem Raj / 3516 dated 5/12/16 / 421385/-	102625/- / 87231/-	MB No.1791/481 page no. (11-14) and	1.During the audit the MB no. 1791/481 was not provided due to which the quantities of following items couldn't be verified hence besides justifying the related record may be provided during next audit. (i) pl cc in 1:2:4 (20mm) =21.46 cum x 3800/-= 81548/- (ii) pl cc in 1:6:12 (40mm) = 3.28 cum x 2800/-= 9184/- (iii) 15 mm cememt plaster in 1:6 = 84.95

				<p>sqm x 140/-= 11893/-</p> <p>2. It was observed that letter dated 06/09/2016 consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit.</p> <p>3. During the audit notice inviting tenders was not shown due to which the necessary verification about whether the tenders were submitted and opened (30/06/2016 at 11.30 AM)on stipulated dates as per notice, couldn't be done hence besides justifying the concerned record may be provided during next audit.</p>
284/ 1591/Rb/16	Special repair of MC complex at totu (SH:- ceiling, steel work and white washing etc.) in ward no. 6	420498/- / 357423/-	MB No.2403/1093 page no. (35-44)	<p>1. During the audit it was observed that 2nd class deodar wood was used in following items but bills relating to purchase of wood were not shown to audit hence besides</p>

				<p>justifying the related record may be provided during next audit :-</p> <p>(i) item no. 3/6= 0.539 cun x 95000/- = 51205/-</p> <p>(ii) Item no. 4/7= 15.02 sqm x 3900/- = 58578/-</p> <p>2 It was observed that pass order of competent authority was not recorded in MB which may be justified followed with required action in this regard under intimation to audit.</p> <p>3. It was observed that 27 no. extra items relating to work were not verified by the EE but no reply was given during the audit hence besides justifying the needful may be done under intimation to audit.</p>
301/RB/17	Repair & Maintenance of public toilet at fruit market in ward no. 12	324840/- / 276115/-	MB No.2201/891 page no. (45-52)	<p>.1. It was observed that pass order of competent authority was not recorded on MB which may be justified followed with required action in this regard under intimation to audit.</p> <p>2. During the audit</p>

				<p>notice inviting tenders was not shown due to which the necessary verification about whether the tenders were submitted and opened (18/04/2017 at 11.30 AM) on stipulated dates as per notice, couldn't be done hence besides justifying the concerned record may be provided during next audit.</p> <p>3. It was observed that letter consisting negotiated rates of contractor was not verified / approved by the E.E but no clarification was given in this regard hence besides justifying the needful may be done and shown to the audit</p> <p>4. It was observed that 10 no. extra items relating to work were not verified by the AE/EE but no reply was given during the audit hence besides justifying the needful may be done under intimation to audit.</p>
1894/RB/16 & 893/2372/RB	MC path from chakkar road near ghai house to NH road via shimla	315248/- /- / 241849/-	2179/869(page no. 76 to 85)	Indent no. 4345 dated 14/10/16 (50 bags) was not shown which

/17	view cottage RD 0/0 to 0/075) ward no. 7 / Jawahar singh 3005 / dated 24/09/2016 / 317688/-			may be shown during next audit.
76/286/(2016-17)	Provision & Improvement of sewerage system, sewer line in ward no.19 of Shimla town (SH:- P/L of 150mm diasewar line from narinder building cemetery NegiNiwas at BhattaKuffar OM Niwas to Hans Raj Building Gahan and BariageeNiwas to existing IPH manhole GahanSanjauli) / Sh. Adarsh Gautam / 13209 -18 dated 20/02/2017 /	292554/- / 250524	914 page No. (6-19)	Royalty was not deducted on item “Construction of Man hole with top R.C.C slab in 1:2:4, foundation concrete 1:4:8, inside plastering 15 mm thick in 1:3 CM etc = 11 nos” which may either be justified or recovered from appropriate source under intimation to audit.
78 / 244(2016-17)	Provision &Improvement of sewerage system, sewer line in ward no.11 of Shimla town (SH:- P/L of 150mm dia sewar line from Sodhi building to existing MC Manhole at Krishna nagr) / Sh. Tara Chand / 11470-79 dated 21/01/2017 / 409113/-	440021/- / 372731/-	894 page No. (81-85)	Royalty was not deducted on item “Construction of Man hole with top R.C.C slab in 1:2:4, foundation concrete 1:4:8, inside plastering 15 mm thick in 1:3 CM etc. = 6 nos” which mayeither bejustified or recovered from appropriate source under intimation to audit.
90 / 201(2016-17)	P/L of 150mm dia sewar line for village DalogJamindhar house	1031084/- / 906805/-	894 page No. (58-65)	Royalty was not deducted on item “Construction of Man

	lower Phagli RD 0/0 to 0/100 (ward no 8). / Sh. Gian Singh / 227-36 dated 07/12/2016 / 293273/-			hole with top R.C.C slab in 1:2:4, foundation concrete 1:4:8, inside plastering 15 mm thick in 1:3 CM etc. = 3 nos which may either be justified or recovered from appropriate source under intimation to audit.
946/ 3286/RB/16	Renovation of public toilet at Ram bazaar Shimla in ward no. 12	376539/- / 300473/-	2218/908Pg No. (44-54)	Royalty was not deducted on item “C/o man hole in 1:2:4= 2 No. “which may either be justified or recovered from appropriate source under intimation to audit.
939/ 253/RB/17	Removal of snow and supply and spreading of crusher sand on various paths/ road in ward no. 13 for the year 2016-17 / Sh. Vinod Sharma / 492 dated 06/03/2017 / 133849/-	429053/- / 364694 /-	2142 / 832 / (69-73)	Royalty was not deducted on item “Supply of sand = 64.13 cum which may either be justified or recovered from appropriate source under intimation to audit.
1786/RB/14	Construction of R.C.C nallah near patwarkhanapanthaghat i in kasumpati in ward no. 21	856595/- / 691528 /-	2122/872pg no. (23-35)	Royalty was not deducted on item “Stone soling properly hand packed filling = 8.45 cum which may either be justified or recovered from appropriate source under intimation to

				audit.
-----	Construction / improvement of link rod from NH.22 to village Shanan under CSR initiative RD 0/0 to 0/870 in ward no. 20.” / MCS/XEN/2951/RB/14 -1527, Dated 11/07/2016. / 14981819/- / Sh. Surjeet singh.	(Bill no. Ist to & 2 nd running bill, Rs. 12952920/- (Gross amount of 2 nd Running bill).	2372/1062, 2337/1027 and 2412/1102	Royalty was not deducted on item 15/9 / Pl bitumen with hot mix plant with crushed aggregate=34.70 cum which may either be justified or recovered from appropriate source under intimation to audit.
280 / 1798 / RB / 17	Periodical renewal coat on various roads / paths in ward no. 13 (Lower bazaar, PL 30 mm thick bitumen coat)/ Sh. Naresh Kumar Vij / 689 dated 25/03/2017 / 1081350/-	1084310/- / 1030095/-	2223/913 (64 to 70)	Royalty was not deducted on item “P/L 30 mm thick bitumen concrete = 2921.78 sqm” which may either be justified or recovered from appropriate source under intimation to audit.
280 / 1274/RB/17	Periodical renewal coat on various roads / paths in ward no. 20 malyana of mc shimla (PL 30 mm thick bitumen concrete)/ Sh. Naresh Kumar Vij / 1036 dated 29/04/2017 / 2376000/-	373231/- / 2245570/-	2384/1074 (27 to 36)	Royalty was not deducted on items “PL 30 mm thick bitumen concrete = 3571.55 and P/L macadon with hot mix plant using crushed aggregate= 1981 sqm which may either be justified or recovered from appropriate source under intimation to audit.

16.16 Non Production of record: -

During the audit despite several verbal and written reminders vide audit memo no. 08 dated 09/03/2022, 25 dated 07/04/2022, 27 dated 12/04/2022, 28 dated 20/04/2022, 37 dated 29/04/2022, 39 dated 10/05/2022, 57 dated 30/06/2022, 58 dated 03/07/2022 and 62

AO

dated 11/07/2022, the related record i.e. tender documents, justification, estimates, sanctions, measurement books etc. in respect of following vouchers was not provided to audit. The related record may be provided during the next audit for necessary verification. The matter is also brought in the notice of higher authorities.

Cash book Head :- 450-61-08				
Month 03/2017				
S.no.	Voucher no.	Amount	Head	Remarks
1.	58	45995/-	Security refund	
2.	59	98061/-	Do	
3.	65	49157/-	Do	
4.	66	36550/-	Work bill	
5.	67	228637/-	Do	
6.	68	73950/-	Do	
7.	69	772741/-	Do	
8.	70	309604/-	Do	
9.	72	867545/-	Do	
10.	73	306061/-	Do	
11.	74	19897/-	Security refund	
12.	78	887689/- (1260420- 372731)	Work bill	Related record in respect of work bills of `887689/- was not provided.
13.	79	509269/-	Do	
14.	80	423380/-	Do	
15.	81	73272/-	Do	
16.	82	456631/-	Do	
17.	83	430217/-	Do	
18.	84	3114049/-	Do	
19.	86	184559/-	Do	
20.	87	110925/-	Do	
21.	91	34397/-	Security refund	
22.	92	148914/-	Work bill	
23.	93	248659/-	Security refund	
24.	95	664690/-	Work bill	
25.	96	1186658/-	Do	
Month 08/2017				
1	123	1640984/- [19533654- 17892670)		Related record in respect of work bills and security refund of Rs. 1640984/- was not provided.

2	124	1966327/-		Related record in respect of work bills was not provided.
3	126	6281305/-		Related record in respect of work bills and security refund was not provided.
4	127	623954/-		Related record in respect of work bills was not provided.
5	129	5032598/-		Do

Cash book Head :- 450-23-03					
Month 03/2017					
Voucher no.	Amount	Particulars	Voucher no.	Amount	Particulars
869	18618	Security refund	952	708474	Work bill
874	7895	Do			
875	52484	Do	953	87482	Work bill
876	32925	Do	956	265558	Work bill
877	43652	Work bill	957	63381	Work bill
878	50473	Do	964	449485	Work bill
879	289765)	Do	966	229299	Security refund
880	25420	Security refund	967	208487	
881	105740	Work bill	968	25350	Do
882	281134	Work bill	969	48771	Do
883	373484	Work bill	970	22926	Do
883	31953	Security refund	971	71993	
884	1033200	Work bill			
892	231804	Work bill	971	45298	Do
894	832828	Work bill	972	13772	Do
895	27602	Work bill	973	22791	Do
896	92109	Work bill	974	10224	Do
897	130774	Work bill	975	14670	Do
898	271308	Work bill	975	36149	Do
899	1725400	Work bill	976	18324	Do
900	358628	Work bill	977	14016	Do
901	94715	Work bill	977	9769	Do
902	92654	Work bill	977	3935	Do

903	224729	Work bill	978	13055	Do
904	2183733	Work bill	979	30324	Do
910	9427	Work bill	980	199413	Work bill
911	141756	Security refund	980	42263	Do
913	96867	Do	980	14199	Security refund
914	15712	Do	981	28918	Work bill
917	22416	Do	982	356304	Work bill
918	233236	do	983	650000	Work bill
920	49840	Do	984	100000	Work bill
923	67254	Do	985	11361	Work bill
933	121655	Work bill	986	8818	Security refund
934	106609	Work bill	987	67123	Work bill
935	436420	Work bill	988	41389	Work bill
936	447914	Work bill	988	28338	Security refund
937	622550	Work bill	988	48464	Security refund
938	155844	Work bill	991	290859	Work bill
939	121526,124134 ,127741,123138	Work bill	993	213033	Work bill
			994	114961	Work bill
943	977188	Work bill	994	162649	Work bill
944	519992	Work bill	994	65617	Work bill
945	51763	Work bill	996	216804	Work bill
947	151790	Work bill	997	16795	Security refund
948	299096	Work bill	998	28687	Do
949	368436	Work bill	999	7959	Do
950	176133	Work bill	1000	3019	Do
951	226331	Work bill	1001	29347	Do
Month 08/2017					
273	637107 (145767+391025 +100315)	Work bills	279	208042,140414, 40019,117856 ,396637,77927, 289615,682875, 1182064,65143 ,88609	Work bills
275	98142	Work bills	280	1630102,1704866, 2093849,649065, 3629005,507495, 2875278,877917, 170887,4930196, 199263,70017, 17478, 8948,30528,34562, 71347,4061,10139, 306380	Work bills and security refunds

279	99394,304121 ,304121,634498 ,207494,336202, 351144,168394, 283900,148096, 164933,64361	Work bills	284	112773,551124, 109355,54030, 78913,129303, 121777.	Work bills
-----	-------------------------------------------------------------------------------------------------------	------------	-----	-------------------------------------------------------------	------------

16.17 Shortcomings in the maintenance of record:-

R & B During the test check of register of tender for works, sale of tender form register & security refund register shortcomings mentioned below were observed in the maintenance of record. Municipal corporation office was asked to justify these shortcomings vide audit memo no. 62 dated 11/07/2022 but no reply was given till the conclusion of the audit. Therefore, besides justifying and doing the needful in this regard the compliance may be shown to the audit.

Sr.No.	Head	Period	Remarks
1	Sale of tender register form (R&B)	28/05/2016 to 28/02/2018	Inventory no. was not mentioned on register, entries in register were not verified by the concerned incharge, numbering of pages was neither done nor the number of pages comprised in register were found verified by the concerned incharge.
2	Register of tender for works (R&B)	10/03/2016 to 13/10/16 and 18/11/16 to 18/04/17	Inventory no. was not mentioned on register, no detail was found filled up under various columns of register except tendered rates of contractors, no verification regarding number of pages comprised in registers was found done by the concerned incharge.
3.	Security Register	from 01/04/2016 onwards	Inventory no. was not mentioned on register and the number of pages comprised in register were not found verified by the concerned incharge.

16.18 Regarding not providing the immovable property register:-

During the audit the immovable property register of R & B Department was sought verbally and vide audit memo no. 40 dated 10/05/2022 from municipal corporation office to test check the entries of completed works in the register, But register was not provided till the conclusion of the audit due to which entries of following properties in immovable property register could not be verified. Therefore, besides justifying the non-production of the record same may be provided to the audit.

Head of cash book	Month	Voucher no.	Name of work	Security deducted / released
450-23-03	03/2017	868	MC road leading from VIP road near rain shelter to upper Gawai	32737/-
		870	MC Path from BJP office to Bala house at Chaakar.	24523/-
		871	Path from Kanwar Niwas to Bhisham house	35462/-
		872	MC path from Brij Lal Niwas	18280/-
		880	R/O MC path from Daulat Niwas.	25420/-
	08/2017	280	MC Road from Kali kothi	106460/-
		280	C/O ambulance road from H/O RK verma	26446/-
		280	C/o path from kushalniwas	46528/-
		280	C/o path from house of Padamniwas	19135/-
		280	Mc road from police chowki	34562/-
		280	C/o road from sachin house	28372/-
		280	C/o various path near majhithia house	9681/-
		280	Renovation of Dhingumata mandir	69428/-
		280	Special repair and maintenance of mc quarters	38259/-
		280	Repair of mc nallah From surinder thakur building	12254/-
		280	C/o nallah from Krishna niwas	23549/-
		280	R/m of lwssbaluganjshimla	4061/-
		280	Mc road leading to police line kaithu	18336/-
		280	Special repair of mc quarters	17398/-
		280	Path from cart road to mall	48410/-

		280	Ambulance road from Bhatta Kuffar to Dhalli tunnel	203788/-
		280	C/O cross drainage near Surinder general store	10139/-
		280	Ambulance road from BM Motors	83611/-
		280	Repair of MC quarter	23261/-
		280	PL MS pipe in various road and path	8399/-
		280	Repair of path in ward no. 3 Kaithu	46527/-
		280	Road side drain kali bari	9890/-

16.19 Not clarifying the factual position regarding refund of security amount :-

R & B While checking the record relating to refund of securities to the contractors it was observed that security amount of Rs. 46427/- [voucher no. 280 of 08/2017 (450-23-03)] was to be refunded to contractor named Gurcharan Industries. However the application for refund was submitted by Swaran Industries which was not justified despite asking verbally and vide audit memo no. 62 dated 11/07/2022. Therefore besides justifying it the actual payee receipt from Gurcharan singh may also be shown to the audit.

17. Other Expenditure:-

17.1 Saheb Society :-

SHEB SOCIETY During the test check of expenditure following irregularities were observed in respect of payments released to saheb society:-

(i) It was observed that an amount of `4704844/- was reimbursed by the MC office to Saheb Society as detailed below for hiring / outsourcing the services of different categories of man power hired / outsourced from Saheb Society but the sanction of competent authority for hiring their services was not shown by MC office till the conclusion of the audit despite seeking the same verbally many times and also vide audit memo no.71 dated 19/07/2022. Therefore, besides justifying it the sanction of competent authority may be shown during the course of next audit however not only with regard to this expenditure but also in respect of expenditure of `69911574 (refer Annexure “N-2”) incurred on this account during the audit period.

Cash book code (450-23-03)			
Month	Voucher no.	Amount	Remarks

	/ amount		
03/2017	904 / 2183733	2183733	Paid for the month of Jan /2017 by MC office to saheb society as pay of 291 employees i.e. (street sweeping (100), driver (37), casual workers (144), sewer man(6), baryal plat (4) .
08/2017	276 / 5521111	2521111	Paid for the month of July/ 2017 by MC office to saheb society as pay of 317 employees i.e. (street sweeping staff (101), driver (40), casual workers (147), sewer man(25), baryal plant staff (4).
	Total	4704844/-	

(ii) During the audit it was observed that employees hired / outsourced had been paid at the monthly rates as detailed below but the basis on which these monthly arrived at were not clarified till the conclusion of the audit despite several verbal reminders and written audit memo no. 71 dated 19/07/2022 due to which the required audit in this regard couldn't be done. Therefore, besides justifying it the same may be clarified alongwith the sanction of competent authority in this regard during next audit.

Cash book code (450-23-03)			
Month	Voucher no. / amount	Amount	Detail
03/2017	904 / 2183733	2183733	Street Sweeping = 6704 pm Driver=9680 pm(26 no.), 8000pm (11 no.), 11000 pm(1no.) Sewer man = 10000 pm(6 no.) Baryal plant (4 no.) = 12100 pm(JCB operator), 9900(JCB operator pm), 7865 pm(2no. helper),
08/2017	276 / 5521111 (2521111+ 3000000)	2521111	Street Sweeping = 6704pm (101 no.) Driver=9680, 8000, 11000 (40no.) Sewer man =10000 pm(25no.) Baryal plant= 12100 pm(JCB operator), 9900(JCB operator pm), 7865 pm(2no. helper).

(iii) During the audit it seemed that an amount of `5000000/- was paid as pay of staff of Saheb Society as detailed below which is not a valid charge on MC fund without the sanction of competent authority. MC office was asked verbally and vide audit memo no. 71 dated 19/07/2022 to justify about it and show the sanction of competent authority

(Govt. / finance department) for incurring this expenditure out of MC fund but it was not shown till the conclusion of the audit. Therefore, either it may be justified or the sanction of competent authority may be shown not only with regard to above mentioned amount but also in respect of expenditure incurred for this purpose in other months of audit period after arriving at that figure at your own level under intimation to audit.

Cash book code (450-23-03)			
Month	Voucher no. / amount	Amount	Remarks
08/2017	274	2000000	It seems that on payment voucher wrong narration i.e. reimbursement of street sweeping staff was given whereas this amount was paid for the payment of pay of staff of Saheb Society instead of reimbursement of pay of outsourced staff which was not clarified during audit.
08/2017	276 / 5521111(2521111+3000000)	3000000/-	----- --
	Total	5000000/-	

(iv) During the audit after perusal of information provided by Saheb Society office vide **Annexures“N, N-1, N-2”** with regard to amounts reimbursed by MC office to Saheb Society on account of manpower outsourced from the society different amounts as detailed below in table were shown reimbursed. Municipal corporation office was asked to justify about the difference in amounts reimbursed vide audit memo no. 66 dated 14/07/2022 and 71 dated 19/07/2022 but no reply was given till the conclusion of the audit, therefore, besides justifying it the factual position in this regard may be arrived at and intimated during next audit.

Year	Expenditure on account of street sweeping / drivers as per information provided vide “ Annexure-N”	Expenditure on account of street sweeping / drivers as per information provided vide “ AnnexureN-1”	Expenditure on account of street sweeping as per income expenditure enclosed by SEHB society“ Annexure N-2”
2016-17	37833364	20739878	37833364 (28288067+9545297)
2017-18	37078210	31304264	32078210
Total	74911574	52044142	69911574

(v) During the audit the information relating to income and expenditure of Bharyal garbage processing unit was sought verbally and vide audit memo no. 35 dated 28/04/22, 39 dated 10/5/22, 57 dated 30/06/22. According to information provided vide **Annexure “N-3”** an expenditure of `455809/- and `494561/- was incurred in 2016-17 and 2017-18

on manpower outsourced from Saheb society for the maintenance of garbage processing unit but no information / reply was provided regarding income received and other expenditure incurred on this garbage processing unit during the audit period till the conclusion of the audit due to which the required audit couldn't be done in this regard. Hence, besides, justifying it the related information may be provided to the audit.

17.2 Irregular transfer of `1888.46 lacs from MC fund to the Pension Fund:-

Rule 3(3) of H.P. Municipality Employees (Pension, Gratuity & GPF) Rules, 2000 provides that "a Municipality shall make monthly contributions towards Pension and Gratuity Fund @ of 12% and 5% respectively on the maximum of the time pay scale of employees of the Municipality". But on perusal of the record (trial balance 2016-17 & 2017-18) put up to audit, it was observed that the corporation has transferred an amount of `188846423/- as detailed below as pension fund deficit contribution (depicted under account code 2103004) from MC fund to Pension fund which is over & above the above prescribed percentage age (%) during the audit period 01.04.16 to 31.03.18. The MC office was asked to show / provide the sanction of competent authority for effecting the transfer of above mentioned amount and record exhibiting month wise transfer of pension deficit amount in pension fund to verify the year wise (2016-17 and 2017-18) figures of pension fund deficit contribution as depicted below in table vide audit memo no. 73 dated 21/07/2022. Because the figures of monthly contribution of pension & gratuity and transfer of pension deficit from MC fund couldn't be tallied through cash book of pension fund (450-41-03) but no reply was given till the conclusion of the audit. Hence besides justifying it, the sanction of competent authority authorising above transfer and related record of transferred amount may be provided produced to the audit.

Year	Pension fund deficit contribution (`)
2016-17	70322791
2017-18	118523632
Total	188846423

17.3 Overpayments and other irregular payments noticed in Medical Reimbursement Claims:

(i) Shri Brij Lal S/o Shri Anant Ram, Safai Staff has been overpaid `376 on account of Medical Reimbursement as in his claim of `6127 (BPV-2157 of March, 2017) he had claimed Rs. 1102 in respect of CM No. 15/09/00773 dated 09.09.2015 of HP State Civil Supplies Corporation though

he had paid `727 only after discount and the claim was passed as such by office resulting overpayment of `376

(ii) Shri Mohan Lal Pekha, Patwari has been overpaid `245 on account of Medical Reimbursement as in his claim of `17768 (**BPV-2181 of March, 2017**) he had claimed Rs. 245 twice in respect of CM No. 16-06-5044 dated 09.06.2016 of HP State Civil Supplies Corporation and the claim was passed as such by office resulting overpayment of `245 which may be recovered now and compliance reported to audit..

(iii) A sum of `3056 has also been overpaid to the following claimants as per detail given hereunder which may be recovered from the concerned and compliance reported to audit in due course:

Sr. No.	Name & Designation of the Claimant	Bank Payment Voucher Reference	Medicine / Test / Procedure involved	Amount reimbursed ()	Remarks
1.	Sh. Yog Raj, Clerk, Law Branch	169 dt. 15.3.17	Trioflam Oil	122	Inadmissible and hence, overpaid
2.	Sh. Sita Ram s/o Sh. Sukh Ram	169 dt. 15.3.17	Trioflam Oil	122	
3.	Sh. Prashant Sirkek, Joint Commissioner	175 dt. 28.03.17	Plastering Charges	1000	Paid by the claimant to Sanitarium Hospital, Shimla vide Cash Memo. No. 40046 dated 28.11.16 but no charges prescribed for this in government hospitals and hence overpaid
4.	Smt. Sunita Rani, Clerk	175 dt. 28.03.2017	Jigreen	312	Not included in the list of admissible medicines under Unani System of Medicine and, hence, inadmissible.
5.	Sh. Ram Krishan, Secy Tax (Retd.)	71 dt.9.8.17	Spectacles	1500	Inadmissible and hence, overpaid
			Total	3056	

(iv) Overpayment of the substantial amount is also suspected in the following cases as the full reimbursement has been allowed as claimed without any restriction nor the approved rates in support of the full reimbursement allowed were shown to audit. As such the matter is required to be reviewed according to government instructions issued in this behalf and overpayment, if any involved may be recovered and compliance reported to audit.

Sr. No.	Name & Designation	Bank Payment Voucher Reference	Medicine / Test / Procedure involved	Amount reimbursed (₹)	Remarks
1.	Sh. Vikram Singh	170 dt. 15.03.17	LRDF	200	The rates in support thereof may be shown to audit
2.	Sh. Hari Chand Rohal Superintendent (Retd.)	71 dt.9.8.17	Removal of Screw from (L) Ankle	7000	Paid by the claimant to Sanitarium Hospital, Shimla vide Cash Memo. No. 5205 dated 10.06.2017
3.	Sh. Suresh Chand Gupta, Superintendent (Retd.)	71 dt.9.8.17	OT charges	1000	Paid by the claimant to Tenzin Hospital, Shimla
			Optical Biometry	2000	
4.	Sh. Kenwal Ram. Superintendent (Retd.)	71 dt.9.8.17	Kappa /Lamda Light chains Free Serum	6500	Paid by the claimant to Dr. Lal Path Labs Invoice No. 20161226063405 dated 26.12.2016
			Immunofixa- tion Electroph- oresis-24 hour urine	8000	Paid by the claimant to Dr. Lal Path Labs Invoice No. 20161228121822 dated 28.12.2016 while no
	No corresponding government rates for this shown to audit in any of the above cases and reimbursement allowed at full rates				
			Total	27756	

(v) Sh. B.R. Verma, Secretary (Retd.) has been allowed reimbursement of Rs. 8,486/ only for his wife's eye surgery at JNS eye Care Centre, Sanjauli (Bank Payment Voucher No.71 dated 9.8.2017) but the empanelment of the said hospital has not been shown to audit while the rates of surgery allowed @ `1000 also appear to be on the higher side and need to be regulated as per the then government rates and amount overpaid, if any may be recovered under intimation to audit.

(vi) Dependency Certificate on the prescribed proforma are also not being collected annually from the Employees of the Municipal Corporation. This needs to be ensured invariably for future while in couple cases the same may also be got verified from the concerned DDOs of the spouse's department.

Municipal authorities were specifically asked vide Audit Memos No. 23 dated 04.04.2022 and No. 60 dated 06.07.2022 to justify the discrepancies as above or provide the supporting government instructions /list of empanelment / approved rate list etc. but no-reply was received till the conclusion of audit. Hence, the above may be got attended to now and compliance may be reported to the audit.

18. Store /stock :-

During the audit of store / stock register (Vol-II, R&B) the following irregularities were observed :-

R & B

(i) During the audit the bills relating to purchase of cement, bitumen& bitumen emulsion as per detail enclosed in **Annexure “O”**, **“O-1 ”** and **“ O-2”** were not provided to audit due to which the necessary verification relating to quantities of cement, bitumen and bitumen emulsion purchased and entered in register couldn't be done. The municipal corporation office was asked to provide the bills vide audit memo no. 41 dated 18/05/2022 and 68 dated 16/07/2022 but were not provided till the conclusion of the audit. Hence, besides justifying the not providing the bills the same may be provided during next audit for the verification of quantities of cement and bitumen purchased and entered in stock register.

(ii) The indents relating to issue of cement and bitumen as mentioned below were not provided to audit due to which the correctness of quantities of cement and bitumen issued against these indents couldn't be verified. The municipal corporation office was asked to provide the indents vide audit memo no. 41 dated 18/05/2022 but same were not provided till the conclusion of the audit. Hence, besides justifying the related record may be provided during next audit for the verification of quantities of cement and bitumen issued against these indents.

S. No.	Indent no. / date	Particulars
1	0018299 / 25/11/2016	One cement bag
2	MES/ XEN/ RB-2590 /	4 drums of bitumen

	03/11/2017	
--	------------	--

(iii) During the audit it was observed that as per detail given in **Annexure “O-3”** the indent numbers relating to issue of cement as per indent book and as entered in stock register were not matching with each other and reasons of same were also not clarified during the audit due to which correctness of issue of quantities against these indents couldn’t be verified. The municipal corporation office was asked to clarify about it vide audit memo no. 41 dated 18/05/2022 but no clarification was given till the conclusion of the audit. Hence, besides justifying it the required action in this regard may be taken and clarified during next audit.

(iv) It was also observed that quantities of cement and bitumen issued from central store / stock register during the audit period for the execution of works of different wards were neither found entered in store/stock / MAS registers of concerned wards nor the consumption of these quantities was shown in these registers due to which the possibility of misuse of cement, bitumen etc. cannot be ruled out. Few instances of store/stock / MAS registers of concerned wards in which issue of cement and bitumen from central store were not found entered are mentioned in **annexure “O-4”** and the municipal corporation office was asked to justify about it vide audit memo no.41 dated 18/05/2022 but no reply was given till the conclusion of the audit. Hence, besides justifying this irregularity the concerned record may be got completed and verified and produced to the audit.

(v) During the audit the concerned record relating to return of cement and bitumen as detailed in **Annexure “O-6”** was not provided to audit due to which the required audit couldn’t be done. The municipal corporation office was asked to justify about it vide audit memo no. 41 dated 18/05/2022 but no reply was given till the conclusion of the audit. Hence, besides justifying it the concerned record may be provided to the audit.

(vi) During the audit the record depicted below in table was sought vide audit memo no. 38 dated 04/04/2022, 39 dated 04/04/2022 and 41 dated 18/05/2022 but neither any reply was given nor the record was provided till the conclusion of the audit. Hence, besides justifying it the concerned record may be provided to the audit.

S.No.	Name of Department	Particulars
1	Water supply and sewerage	Central stock register of cement, steel, bitumen, fuel wood etc. along with the concerned stock register /

		MAS of different wards under MC.
2	Health Department	Do
3	Road and building Department	Central stock register of cement, steel, bitumen (vol-I), fuel wood etc. along with the concerned stock register / MAS of different wards under MC.
4	Electrical department	store/stock / MAS registers (1-34)

19 Log books :-

During the test check of log books of different vehicles under MC Shimla the following irregularities were observed :-

MTO
CHO
GENERAL

(i) Non-recovery of excess consumption of fuel amounting to `1.29 lacs

As per instructions issued by the Finance Department Government of Himachal Pradesh vide letter No. Fin.-I-(C) 14-1/92-VoII dated 27.05.2006, the ceiling of petrol has been fixed 70 liters per month per vehicle per officer for state Headquarter, Shimla. From the perusal of the Log Books of the vehicles, it has been observed that the above instructions have not been adhered to in letter & spirit by the Officer/Official of M.C. Shimla which resulted in consumption of excess fuel than the prescribed limit having financial implications of amounting to `128728/-/- approximately as per detail given in “**Annexure P**”. During the audit the municipal corporation office was asked to justify about it vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Therefore, either the excess consumption of fuel may be justified or failing which this amount may be recovered from appropriate source under intimation to audit.

(ii) Non-mentioning the purpose of journey under the relevant column of the log books :-

(a) During the course of test audit of the log books, it was observed that no purpose of journeys of about 1419 kms i.e., whether official/private, performed on different dates was found mentioned in the log books of vehicles under Department of Road & Building as detailed in “**Annexure P-1**” due to which it could not be ascertained as to whether the cost of such journeys is a fit charge on the MC Exchequer or not. During the audit the

MTO
CHO
GENERAL

municipal corporation office was asked to justify about it vide audit memo no.46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Hence, the reasons for non-recording of purpose of journey in the log book may be justified besides certifying the purpose of such journeys failing which the journeys may be treated as private and recovery of Rs. 9933/- (1419 x 7/- per km) as instructed vide Finance Department (Expenditure Control-II), No. Fin. 1-(C)-14-1/92-Vol-II, dated 21.7.2011 may be effected under intimation to audit.

(b) It is also observed that the purpose of journey was also not found mentioned in the log books of vehicles under Department of Health of MC. However it was intimated during the discussion in this regard that these vehicles have been plied for the collection and disposal of garbage from various places of MC area but the required details under relevant columns of log books have not been filled up which should have been done to clearly reflect the purpose relating to use of vehicles. Some related instances of this irregularity have been mentioned in **Annexure P-1**” which clearly exhibits that vehicles were used for 18311 kms but the purpose of journey was not mentioned under the relevant column of the log books. During the audit the Municipal Corporation office was asked to justify about it vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Hence, the reasons for non-mentioning the of purpose of journey in the log book may be justified besides mentioning and certifying it now under intimation to audit.

(c) Similarly it was also observed that no purpose of use of road rollers for 96.50 hours i.e., whether official/private, was found mentioned under relevant column of the concerned log books as detailed in **Annexure P-1**” due to which it could not be ascertained as to whether the cost of such use of road rollers was a fit charge on the MC Exchequer or not. During the audit the municipal corporation office was asked to justify about it vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Hence, the reasons for non-mentioning the purpose of use in the logbook may be justified besides mentioning and certifying it now under intimation to audit.

(iii) Not effecting the recovery of `0.03 lac in respect of private journey done over and above 200 km in attached vehicle :-

As per instructions issued by the Govt. of Himachal Pradesh from time to time if an

MTO
CHO
GENERAL

Officer uses his/her attached official vehicle for his/her private journey over and above the

prescribed limit then recovery for private journey undertaken has to be made from him/her as per the rates notified by the Govt. from time to time. From the test check of Log Books of vehicles as mentioned in **Annexure P-2**” it has been observed that vehicles were used by the officer/official for his/her personal travelling but necessary recovery in respect of travelling over and above of 200 kms have not been made. During the audit the Municipal Corporation office was asked to justify about it vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Hence, either justification may be given about it or failing which the recovery of Rs. 3500/- (500 kms x 7/- per km) as instructed vide Finance Department (Expenditure Control-II) , No. Fin. 1-(C)-14-1/92-Vol-II, dated 21.7.2011, may be affected under intimation to audit.

(iv) Non verification of use of vehicle by the concerned incharges :-

It was observed during the test check of log books of vehicles that the use of vehicles was not verified by the concerned incharges in the absence of which it couldn't be verified that the purpose for which the vehicle were used was justified and was in the interest of municipal corporation. Few related instances of this irregularity are mentioned in table below and “**Annexure P-3**”. During the audit the Municipal Corporation office was asked to justify about it verbally and vide audit memo no.46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Hence, the reasons for non-verification of journey performed by concerned incharges in the log book may be justified besides verifying the journeys performed under intimation to audit.

Department to which log books relate	Number of kms / hours in respect of use of vehicle not verified
Road and building (Vehicles)	956.50
Road and building (JCB)	9 hrs
Health (Vehicles)	48807

(v) Not mentioning the specific detail regarding specific works inspected in log book:-

During the test check of log books as mentioned below it has been observed that the purpose of journeys was shown in vague terms as inspection on maximum dates of month instead of mentioning the specific details of works inspected, in the absence of specific details it couldn't be verified that vehicles were used in the interest of the MC for 6322 kms as mentioned below in table. Municipal corporation office was asked to justify about it vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of

MTO
CHO

MTO
R & B

the audit. Hence, besides justifying the needful may be done in this regard failing which the journeys may be treated as private and as per rules recovery at approved rate may be effected under intimation to audit.

Month	Vehicle no.	Number of Kms with regard to which the term inspection found mentioned in log books	As per information provided the vehicle Attached with	Vehicle used by
03/17	HP-07A-0784	1737	Project Director	EE
08/17	HP-07A-0784	2196	Do	EE
03/17	HP-07C-1064	1204	General Pool	AE & JE
08/17	HP-07C-1064	1185	Do	AE & JE
	Total	6322		

(vi) Non mentioning the designation of authority verifying the movements of vehicles :-

During test check it is also observed that the designation of the authority verifying the journeys performed by the vehicles was also not found mentioned in the log books under relevant columns. Some related instances are mentioned in **Annexure P-4**” and Municipal Corporation office was asked to justify about it vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of the audit. Hence, besides justifying it the needful may be done in this regard and compliance may be to submitted to the audit.

(vii) Non production of log books :-

During the audit the Municipal Corporation office was asked to provide the log books as detailed in “**Annexure P-5**” verbally and vide audit letter / memo no.93 dated 23/12/2021,46 dated 10/06/2022 but same were not provided to audit till the conclusion of the audit due to which the test audit of these log books couldn’t be done. Hence, besides justifying about it the log books may be provided during next audit.

(viii) Miscellaneous irregularities :-

While conducting the test audit of various log books of MC Shimla for the period 01.04.16 to 31.03.18 the following miscellaneous irregularities were observed and Municipal Corporation office was asked to justify about these verbally and vide audit memo no. 46 dated 10/06/2022 but no reply was given till the conclusion of the audit.

Hence, besides justifying the needful may be done as detailed below under intimation to audit.

Month	Vehicle No.	Remarks
03/2017	HP-7C-1064	(a) As on 14/03/2017 the opening reading of the vehicle was 70905 but the closing reading was shown 70221 which is not possible moreover the further readings in log book were shown in continuation from 70221 instead of 70905, hence, factual position in this regard may be apprised to audit failing which the recovery of Rs, 5081/-{85.5liter [684km (70905-70221) / 8km per litre] x 59.43/- Rs. per litre} may be effected from appropriate source. (ii) It is also observed that the average of the vehicle and balances of fuel were also not worked out at the end of months i.e. 03/17 and 08/2017 which may be justified besides working out the same for necessary verification / audit in this regard. .
08/2017	HP-07A-0715	(b)The vehicle was plied for 728 kms for election duty on dated 1/8/2017 and from 18/08/2017 to 31/08/2017, but no information was provided to audit regarding recoupment of amount done from the concerned department in lieu of providing vehicle for election duty. Therefore, either it may be justified or the information relating to recouped amount in this regard may be provided along with related record.
07/2017	HP-07A-0873	(c)The vehicle was plied for 699 kms for election duty on dated 19/7/2017, 21/07/2017 and 31/07/2017, but no information was provided to audit regarding recoupment of amount done from the concerned department in lieu of providing vehicle for election duty. Therefore, either it may be justified or the information relating to recouped amount in this regard may be provided along with related record.
08/2017	HP-07A-0715	(d) The closing balance of fuel was shown 22 litre instead of 26.15 litre as on 31/08/2017which may be justified failing which the recovery of Rs. 232/- (4.15 litre x55.86 per litre)may be effected from appropriate source under intimation to audit.
03/2017	HP-07A-0782	(e) The closing balance of fuel was shown 33 litre instead of 33.50 litre as on 31/03/2017which may be justified failing which the recovery of Rs. 36/- (0.50 litre x 72.12 per

		litre) per litre) may be effected from appropriate source under intimation to audit.																														
08/2017	HP-07B-0735	(f) As per entry in log book the opening balance of fuel was 62 litres on dated 01/07/2017 and the collective average for the month of 07 and 08/2017 had been worked out at page no. 19 of the log book on which the opening balance of fuel was carried forwarded 14 litres instead of 62 litres, resultantly, 48 litre (62-14) of fuel was carried forwarded on lesser side which may be justified failing which the recovery of Rs. 2746/- (48 litre x 57.21/- per litre) may be effected from the appropriate source under intimation to audit.																														
		<p>(g) During test check It is also observed that log books have not been got stamped from concerned filling stations at the time of filling of fuel in the vehicles. The stamps of the filling stations reflect the quantity of fuel filled up in vehicle, charges of fuel, date , name of filling station etc. on the basis of which it becomes easy to verify the details filled in the bills raised for payment by the concerned filling stations. Some instances of this irregularity are given below and it is advised that in future the log books may be got stamped from concerned filling stations at the time of filling up fuel in vehicles so that possibility of financial irregularities can be ruled out.</p> <table><tr><th>S.no.</th><th>Month</th><th>Vehicle no.</th><th>Date</th><th>Quantity of fuel filled up in vehicle (litre)</th></tr><tr><td>1.</td><td>03/2017</td><td>HP-07A-0714</td><td>6/3/17</td><td>40</td></tr><tr><td>2.</td><td></td><td>HP-07A-0714</td><td>10/3/17</td><td>40</td></tr><tr><td>3.</td><td>08/17</td><td>HP-07A-0714</td><td>2/8/17</td><td>40</td></tr><tr><td>4.</td><td></td><td>HP-07A-0714</td><td>9/8/17</td><td>40</td></tr><tr><td>5.</td><td>08/17</td><td>HP-07A-0600</td><td>12/8/17</td><td>30</td></tr></table>	S.no.	Month	Vehicle no.	Date	Quantity of fuel filled up in vehicle (litre)	1.	03/2017	HP-07A-0714	6/3/17	40	2.		HP-07A-0714	10/3/17	40	3.	08/17	HP-07A-0714	2/8/17	40	4.		HP-07A-0714	9/8/17	40	5.	08/17	HP-07A-0600	12/8/17	30
S.no.	Month	Vehicle no.	Date	Quantity of fuel filled up in vehicle (litre)																												
1.	03/2017	HP-07A-0714	6/3/17	40																												
2.		HP-07A-0714	10/3/17	40																												
3.	08/17	HP-07A-0714	2/8/17	40																												
4.		HP-07A-0714	9/8/17	40																												
5.	08/17	HP-07A-0600	12/8/17	30																												

		6.	03/17	HP-07B-0202	10/3/17	40
		7.		HP-07B-0202	18/3/17	50
		8	08/17	HP-07B-0702	10/8/17	40
		9		HP-07B-0702	23/8/17	40
		10	03/17	HP-07A-0782	7/3/17	20
		11		HP-07A-0782	13/3/17	20
		12		HP-07A-0782	18/3/17	25
		13	08/17	HP-07A-0782	21/8/17	20
		14		HP-07A-0782	28/8/17	28
03/2017&08/2017	HP-7A-0784	(h) As per information provided to the audit regarding attached vehicle the vehicle was shown attached with Project Officer but as per log book the journeys performed during the months were found verified by the EE/AE which may be justified followed with needful action in this regard under intimation to audit.				
(i) During the audit it was informed that GPS system was used for monitoring the movement of MC vehicles and audit had asked to provide the related record vide audit memo no. 46 dated 10/06/2022 but it was not provided till the conclusion of the audit due to which the necessary audit in this regard couldn't be done hence besides justifying it the concerned record may be provided during next audit.						
(j) During the audit the audit, had sought the detail of vehicle purchased during the audit period by the MC office vide audit memo no. 46 dated 10/06/2022 but the same was not provided by the quarter concerned except by the Deptt. Of R & B. Therefore, due to non-submission of record, the actual position couldn't be as certain in this regard. Hence the necessary record should be produced to the audit besides justifying the non-submission of the record.						

20

19. Preparation of accounting statements on outdated & unsupportive Accounting Software for the year 2016-17 & 2017-18.

IT CELL

It is observed during audit that the accounting software of Municipal Corporation, Shimla has been developed by M/S Technorite Company for the purpose of preparing various accounting statements. But it is observed during audit that various accounting statements have been partly prepared by accounting software and partly by computer typing. The accounting statements from journal to Trial Balance have been prepared through above accounting software whereas final statements such as Balance Sheets, Income & Expenditure Statements and other balance sheet schedules put up to audit for the year 2016-17 & 2017-18 have been prepared manually by typing on computer. Further, the accounting software is not updated since long & also not fully supportive due to which the scope of financial errors & omissions in the accounting statements may not be ruled out. MC office was asked vide audit memo no. 69 dated 16/07/2022 to clarify about it but no reply was given till the conclusion of the audit. Hence the reasons for preparing accounting statements partly on such outdated/unsupportive accounting software and partly by typing on computer may be clarified to audit at the earliest.

21 20. Physical Verification of Stores

R & B
CHO
GENERAL

Rule 140 of H.P. Financial Rules, 2009 provide that a physical verification of all store should made at least once in every year under rule prescribed by the Head of the Department. Further rule 141 provide that verification must be made in the presence of government servant responsible for the custody of the inventory. Audit had asked to put up the physical verification report of the stores for the year 2016-17 and 2017-18 vide Audit letter No. 93 dated 23.12.2021 and 39 dated 10/5/2022 and 57 dated 30/06/2022 but the same was not put up to audit till the completion of the audit which may be shown during next audit. Therefore, irregularity may either justified or needful be done now besides adhering to the provision of said rules strictly in future and compliance may be intimated to the Audit.

22. Non production of record :-

(a) During the audit the related record in respect of following vouchers was sought verbally and vide audit memo no. 56 dated 30/06/2022 and 63 dated 11/07/2022 but same was not provided to audit till the conclusion of the audit which is a serious irregularity due

to which the required audit in this regard couldn't be done. Therefore, besides justifying it the related record may be provided during next audit.

Cash book Head :- 450-61-08 (Amrut)				
Month 03/2017				
S.no.	Voucher no.	Amount	Head	Detail
1.	60	1138176	Purchase of LPT 909 container	Sanction of competent authority, codal formalities related record and stock entry were not shown.
2.	77	983208	Paid to HP State civil supplies corporation limited, Shimla for purchase of 200 MT cement	Adjustment of amount paid and entry in concerned stock register were not shown.
3.	88	1000000	TA advance exposure trip	Related record i.e. norms, adjustment etc. was not shown.
4.	89	118376	TA advance exposure trip	Do
5.	94	983208	Paid to HP State civil supplies corporation limited, Shimla for purchase of 200 MT cement	Adjustment of amount paid and entry in concerned stock register were not shown.
Month 08/2017				
1	122	1017085	Paid to HP State civil supplies corporation limited, Shimla for purchase of 200 MT cement	Adjustment of amount paid and entry in concerned stock register were not shown.
3	128	3187737	Payment of Salary (Tata consulting engineers Ltd.)	Related record, sanction etc. were not shown.

Cash book Head :- 450-23-03				
Month 03/2017				
S.no.	Voucher no.	Amount	Head	Detail
1.	873	983208	Advance payment for purchase of 200 MT cement from HP state civil supply.	Adjustment of amount paid and entry in concerned stock register was not shown.
2.	889	1385865	Advance for purchase of 39 MT (250 drums)	Adjustment of amount paid and entry in concerned stock register was not

			bitumen from HP state industrial corporation limited.	shown.
3.	890	86533	Amount paid to JP Associates. Ltd, Chandigarh for garbage transportation from Bharyal to Chandigarh . (294.330 MT x 300/-MT = 88299-2%TD= 86533/-)	Related record i.e.codal formalities etc. was not provided.
4.	905	2725184	Amount paid to MS Ranveer singhforgarbage transportation from Bharyal to Chandigarh.	Related record i.e.codal formalities etc. was not provided.
5.	928	24948	Paid to city sales for purchase of 300 white caps with printing (300 caps x 80/- per cap = 24000+5%VAT= 25200-252(1% TDS)= 24948/-	Related record i.e.codal formalities, store entry etc. was not provided / shown.
6.	954	4914776	Amount paid to EE HPPWD, Div. III out of Rs. 500000 received from Deputy Director youth services for sports stadium at Sanjouli.	Information regarding present stage of work alongwith related record provided / shown.
7.	955	151470	Amount paid as fee to architectural services to AR Rakesh, Mehta & associates, Shimla. [41625+73575+53100 = 168300-16830(10% TDS)= 151470/-	Related record i.e.codal formalities etc. was not shown.
8.	959	21000	Paid to Slogan champion Sh. Tanjeen under SBM	Related norms were not shown.
9.	961	6299	Paid for printing	Related record i.e.codal formalities

				was not shown.
10.	963	19404	Purchase of wooden planks and trophies under SBM	Related record i.e. codal formalities, store entry etc. was not shown.
11.	989	2954016	Paid for purchase of bitumen from Indian oil corporation LTd.	Adjustment of amount paid and entry in concerned stock register, quantity purchased, proforma invoice related record was not shown.
Month 08/2017				
1.	277	987275	Advance payment for purchase of 200 MT cement from HP state civil supply.	Adjustment of amount paid and entry in concerned stock register was not shown.
2.	282	16002	Amount paid to M/s Pure tech Env. Engg., consultant Chandigarh.	Related record / codal formalities were not shown.
Cash book Head :- 450-61-08				
Month 08/ 2017	125	3516	Payment of only TA (bus fare & taxi charges) to Sh. Anuj Kumar Singh, Team leader, PDMC, Tata Consultancy Engineers Limited from 22/06/2017 to 24/06/2017 (Shimla to Delhi and back) for attending national level conference on 2n anniversary of launch of the smart city mission and Amrut	Related norms issued by competent authority for regulating TA were not shown.

(b) The following record was not provided despite seeking the same verbally and vide Audit Memos No. 60 dated 06.07.200, No. and Audit Memo No. 65 dated 13.07.2022. Hence besides justifying this may be shown during next audit.

(i) Cash Book for the year 2016-17 & 2017-18 in respect of Head of Account 450-63-02 and Bank Payment Vouchers for the months of 3/17 & 8/17 in respect of Head of Account-450-61-10 were not provided to audit.

(ii) The bills/ sub-vouchers related to the following vouchers were also not shown to audit:

Sr. No.	Vouchers No. with	Amount	Remarks
---------	-------------------	--------	---------

	date	(Rs.)	
Head of Account :450-61-07			
1.	40 dated 21.03.2017	1903	Telephone Bill
2.	41 dated 25.03.2017	2690	Telephone Bill
Head of Account :450-21-05			
3.	35 dated 20.03.2017	1432	Water bill
4.	36 dated 20.03.2017	1370	Telephone bill
5.	37 dated 30.03.2017	3846	Miscellaneous Petty Expenses
6.	14 dated 04.08.2017	500	Security Receipt Reference not found quoted

(iii) The bills / vouchers related to the following Bank Payment Vouchers of March, and August, 2017 vouchers { Account Code : 450-23-01 } were also not shown to audit:

Sr. No.	Bank Payment Voucher No. of March, 2017	Amount (Rs.)	Remarks regarding expenditure involved
1.	2104	681	Electricity Bills
2.	2105	786	Electricity Bills
3.	2113	17402	Electricity Bills
4.	2114	4653	Electricity Bills
5.	2138	6721	Electricity Bills
6.	2141	15450	Electricity Bills
7.	2142	12477	Electricity Bills
8.	2143	1936	Electricity Bills
9.	2145	1908	Electricity Bills
10.	2150	29067	Water Bill
11.	2153	11748	Electricity Bill
12.	2163	273102	Payment of Street Light
13.	2164	152670	Electricity Bill
14.	2165	67203	Electricity Bill
15.	2166	1770	Electricity Bill
16.	2172	177286	Electricity Bill
17.	2183	24474	Electricity Bill
18.	2184	1724036	Electricity Bill
19.	2185	194731	Electricity Bill
20.	2186	2216	Electricity Bill
21.	2187	15442	Electricity Bill
22.	2188	18721	Electricity Bill
23.	2191	205120	Payment of Street Light
24.	2192	385	Electricity Bill
25.	2205	12613	Printing job
26.	2225	126	Electricity Bill
27.	2226	38448	Updation of BPV-1037 dt 15.09.2016
28.	2227	35316	Updation of BPV-1691

29.	2228	512376	Updation of BPV-1690
30.	2229	54000	Updation of BPV 246 dt 05.05.2016
31.	2230	44	Updation of BPV-602
32.	2231	793597	Updation of BRV-339
	Sub-total-1	4406505	
Sr. No.	Bank Payment Voucher No. of August, 2017	Amount (Rs.)	Remarks regarding expenditure involved
1.	753	944	Electricity Bill
2.	753	4847	Electricity Bill
3.	759	16156	Electricity Bill
4.	763	44095	Payment of Street Light
5.	764	144426	Payment of Street Light
6.	778	36539	Electricity Bill
7.	779	15307	Electricity Bill
8.	780	423	Electricity Bill
9.	782	39026	Electricity Bill
10.	793	107447	Payment of Street Light
11.	795	9634	Payment of Street Light
12.	796	116	Payment of Street Light
13.	799	1241	Telephone Bill
14.	805	140	Electricity Bill
15.	806	231367	Payment of Street Light
16.	807	188164	Payment of Street Light
17.	814	4583	Electricity Bill
	Sub-total-2	844455	
	Grand Total	5250960	

(iv) Sanctions, invoice, approved rates and related files in r/o the following expenditure paid out of the Bank Accounts Codes given hereunder were not shown to audit:

Voucher No. with date	Amount (Rs.)	Remarks
14 dated 08.08.2017	397883+TDS @ 10%	Payment made to NIELIT on account of one year Diploma in Computers to BPL /EWS candidates. Invoice, sanction and approved list of the candidates required. Total amount involved Rs. 442092.
17 dated 22.08.2017	40541+TDS @ 1%	Payment on account of lunch made to Guptajeets, Middle Bazar, Shimla invoice No. 19976 dated 20.12 (year not indicated)forRs. 40950. Approval and list of those served lunch required.
18 dated 22.08.2017	12994 +TDS @ 1%	Stationery purchased from M/s Minerva book house, Shimla Invoice No. 25972 dated

		19.12.2014 for Rs. 13125. Sanction, quotations, stock entry and consumption required while certification is also required that this payment has not been made previously since it has been after a gap of three years.
450-23-03		
930 dated 17.03.2017	126773+2% TDS	Payment made to M/s Gaia Smart Cities Solutions Pvt. Ltd. on account of ICT based Feedback Polling Station & 1 year Platform Usage Service & Maintenance Charges for 1 st Quarter (01.01.2017 to 31.03.2017) for Invoice No. Gaia/16-17/035 dated 09.02.2016. Sanction, quotations, agreement, if any, Stock Entry may be shown.

- 23. Minor Objection Statement :-** The minor objection statement is not issued separately but the entire minor objections found during audit & inspection were settled on spot.
- 24. Conclusion :-** The maintenance of accounts and keeping of the record not up to the mark which needs improvement. Besides special drive to settle long pending outstanding Audit paras/ Memos & the suggestions given in this audit report needs to be implemented in order to improve the financial health of the Municipal Corporation.

(Puneesh Sagar)
Deputy Controller(Audit)
HP State Audit Department
H.P. Shimla-171009

(Anil Sharma)
Joint Director
HP State Audit Department
Shimla-171009

Director
HP State Audit Department
Shimla-171009

परिशिष्ट "A"		
अंकेक्षण अवधि 04/2014 से 03/2016		
क्रम संख्या	पैरा संख्या	विवरण
1.	3	निर्णीत (अंकेक्षण शुल्क जमा करवाने के उपरान्त)
2.	4	निर्णीत एवं पैरा पुनः प्रारूपित किया गया।
3.	4.4.1 (1) (i)	अनिर्णीत
4.	4.4.1 (1)(ii)(a)	निर्णीत एवं पैरा पुनः प्रारूपित किया गया।
5.	4.4.1 (1)(ii)(b)	अनिर्णीत
6.	4.4.1 (1)(ii)(c)	अनिर्णीत
7.	4.4.1 (1)(iii)	अनिर्णीत
8.	4.4.1 (1)(iv)	अनिर्णीत
9.	4.4.1 (1)(v)	अनिर्णीत
10.	4.4.1 (1)(vi)	अनिर्णीत
11.	4.4.1 (1)(vii)	निर्णीत एवं पैरा पुनः प्रारूपित किया गया।
12.	5	अनिर्णीत
13.	5.1	अनिर्णीत
14.	5.2	अनिर्णीत
15.	5.3	अनिर्णीत
16.	5.4	अनिर्णीत
17.	5.5	अनिर्णीत

18.	5.6	अनिर्णीत
19.	5.7	अनिर्णीत
20.	5.8	अनिर्णीत
21.	5.9	अनिर्णीत
22.	5.10	अनिर्णीत
23.	5.11	अनिर्णीत
24.	5.12	अनिर्णीत
25.	5.13	अनिर्णीत
26.	6	निर्णित एवं पैरा पुनः प्रारूपित किया गया।
27.	6.1	अनिर्णीत
28.	6.2	अनिर्णीत
29.	6.3	अनिर्णीत
30.	6.4	अनिर्णीत
31.	6.5	अनिर्णीत
32.	7	अनिर्णीत
33.	7.1	अनिर्णीत
34.	7.2	अनिर्णीत
35.	8	निर्णित एवं पैरा पुनः प्रारूपित किया गया।
36.	9	निर्णित एवं पैरा पुनः प्रारूपित किया गया।
37.	10	अनिर्णीत
38.	11	निर्णित एवं पैरा पुनः प्रारूपित किया गया।
39.	12	अनिर्णीत
40.	12.1	अनिर्णीत
41.	12.2	अनिर्णीत
42.	12.3	अनिर्णीत
43.	12.4	अनिर्णीत

44.	12.5	अनिर्णीत
45.	12.6	अनिर्णीत
46.	12.7	अनिर्णीत
47.	12.8	अनिर्णीत
48.	12.9	अनिर्णीत
49.	12.10	अनिर्णीत
50.	12.11	अनिर्णीत
51.	12.12	अनिर्णीत
52.	12.13	अनिर्णीत
53.	12.14	अनिर्णीत
54.	12.15	अनिर्णीत
55.	12.15.1	अनिर्णीत
56.	12.15.2	अनिर्णीत
57.	13	अनिर्णीत
58.	14.14.1(A)	अनिर्णीत
59.	14.14.1(B)	अनिर्णीत
60.	14.14.1.(C)	अनिर्णीत
61.	14.14.1.(D), (i),(ii),(iii), (iv), (v)	अनिर्णीत
62.	14.14.1 (E)(i to xvi)	अनिर्णीत
63.	14.14.1. (F)(i to iii),	अनिर्णीत
64.	14.14.1 (G)(i to xvi)	अनिर्णीत
65.	14.14.1 (H)	अनिर्णीत
66.	14.14.1 (I)	अनिर्णीत
67.	14.14.1(J)	अनिर्णीत
68.	14.14.1,(k)	अनिर्णीत

69.	14.14.1,(L),	अनिर्णीत
70.	14.14.2	अनिर्णीत
71.	14.14.3	अनिर्णीत
72.	14.14.4	अनिर्णीत
73.	14.14.5	अनिर्णीत
74.	14.14.6	अनिर्णीत
75.	15	अनिर्णीत
76.	16, 16.1 (1),	निर्णीत [(Payment voucher no. 103 दिनांक 24/08/2020, 13426838/- (कुल भुगतान में संविदाकार को किया शुद्ध (net) भुगतान 489105/- र० सम्मिलित है), Journal Voucher no. 420 दिनांक 21/08/2020 र० 1090710/- , (नोट :- संविदाकार को 547070/- र० तथा अन्य वैधानिक कटौतियों करने के उपरान्त 489105/- र० का शुद्ध (net) भुगतान किया गया)]
77.	16, 16.1 (2),	अनिर्णीत
78.	16, 16.1 (3)	अनिर्णीत
79.	16, 16.1 (4)	अनिर्णीत
80.	16, 16.1 (5)	निर्णीत (रसीद संख्या 716069 दिनांक 07/07/22 द्वारा `775/-), [रसीद की कुल राशि `1180/- जमा] नोट :- आगामी अंकेक्षण के दौरान सम्बन्धित रोकड़ बही में उपरोक्त राशि `775/- की प्रविष्टि सत्यापित करवाई जाए।
81.	16, 16.1 (6)	निर्णीत (रसीद संख्या 716069 दिनांक 07/07/22 द्वारा `405/- जमा) [रसीद की कुल राशि `1180/-] नोट :- आगामी अंकेक्षण के दौरान सम्बन्धित रोकड़ बही में उपरोक्त राशि `405/- की प्रविष्टि सत्यापित करवाई जाए

82.	16, 16.1 (7)	अनिर्णीत
83.	16, 16.1 (8)	अनिर्णीत
84.	16, 16.1 (9)	अनिर्णीत
85.	16, 16.1 (10)	अनिर्णीत
86.	16, 16.1 (11) (i) (A),(ii)(A)(B)(C),(iii),(iv),(v)	अनिर्णीत
87.	16, 16.1 (12)(i),(ii),(iii)	अनिर्णीत
88.	16, 16.1 (13)	अनिर्णीत
89.	16, 16.1 (14)	निर्णीत [(Payment voucher no. 9 दिनांक 09/06/2022, `91,73,410/- (कुल भुगतान में संविदाकार को किया भुगतान `186308/- सम्मिलित है), Journal Voucher no. 282 दिनांक 13/06/2022 `231608/-, (नोट :- संविदार को देय शुद्ध भुगतान `190564/- में से `4256/- की कटौती करके `186308/- का भुगतान किया गया)]
90.	16, 16.2 (i)	अनिर्णीत
91.	16, 16.2 (ii)	अनिर्णीत
92.	16, 16.2 (iii)(A),(B)	अनिर्णीत
93.	17.17.1	अनिर्णीत
94.	17.17.2	अनिर्णीत
95.	17.17.3	अनिर्णीत
96.	17.17.4	अनिर्णीत
97.	17.17.5	अनिर्णीत
98.	17.17.6	अनिर्णीत

पैरों

99.	18.18.1,(i),(ii), (iii)	अनिर्णीत
100.	19.19.1	अनिर्णीत
101.	19.19.2(i),(ii),(A),(iii)	अनिर्णीत
102.	19.19.3(i),(ii),(iii)	अनिर्णीत
103.	20	अनिर्णीत
104.	21	निर्णीत एवं पुनः प्रारूपित किया गया।
105.	22 (1 to 6)	अनिर्णीत
106.	22(7)(a),(i),(ii),(iii),(iv)	अनिर्णीत
107.	22(7)(b)	अनिर्णीत
108.	22(7)(c)	अनिर्णीत
109.	23	निर्णीत एवं पुनः प्रारूपित किया गया।
110.	24	निर्णीत एवं पुनः प्रारूपित किया गया।

का
सार

अनिर्णीत अंकेक्षण अधियाचनाएं	2925
अंकेक्षण अनिर्णीत पैरे	715
कुल योग	3640
निर्णीत पैरे	15
	3625
वर्तमान पैरे	20
कुल योग	3645

