

PREFACE

1. This report has been prepared for submission to the Government of Himachal Pradesh in accordance with the terms of Technical Guidance and Supervision (TGS) over the audit of accounts of Panchayati Raj Institutions (PRIs) by the Comptroller and Auditor General of India as envisaged by the Eleventh Finance Commission.
2. Chapter-I of the report contains a brief introduction on the functioning of the PRIs alongwith observations regarding devolution of Funds, Functions & Functionaries to them. Chapter-II of the report deals with the observations on transaction audit arising out of inspections of PRIs.
3. The cases mentioned in the report are among those which came to notice mainly in course of test check of accounts of 289 Panchayati Raj Institutions conducted during the year 2008-09. Matters relating to the period subsequent to 2007-08 have also been included, wherever necessary.