

P R E F A C E

This report of Comptroller and Auditor General of India has been prepared for submission to the Governor of Madhya Pradesh under Technical Guidance and support over the audit of Urban Local Bodies and Panchayati Raj Institutions.

The report covering the period 2011-12 contains observations on Urban Local Bodies and Panchayati Raj Institutions. This Report consists of two Parts. Part - I deals with the observations on Urban Local Bodies and Part – II deals with the observations on Panchayati Raj Institutions.

The cases mentioned in the Report are among those, which came to notice in the course of test audit of accounts for the period 2011-12 as well as those which had come to notice in earlier years, but could not be reported in previous Audit Reports; Matters relating to the period subsequent to 2011-12 have also been included, wherever necessary.

Audit has been conducted in conformity with auditing standard issued by the Comptroller and Auditor General of India, based on the auditing standards of the International Organisation of Supreme Audit Institutions.