

## **PREFACE**

**The Report has been prepared for submission to the Government of Uttar Pradesh in accordance with terms of notification dated 31 May 2011 issued by the Government Uttar Pradesh entrusting the Comptroller and Auditor General of India Technical Guidance and Supervision (TGS) over the audit of Urban Local Bodies (ULBs) and *Panchayati Raj* Institutions (PRIs).**

**Chapter 1 and 3 of this Report contain observations arising from examination of accounts and finances of Urban Local Bodies and *Panchayati Raj* Institutions respectively.**

**Chapter 2 contains findings of performance audits on “*Backward Regions Grant Fund*” and “*Functioning of Allahabad Nagar Nigam*”, Long Paragraph on “*Authorisation, opening, and reconciliation of Bank Accounts in Nagar Palika Parishads*” in Uttar Pradesh and findings emerging from transactions audits of Urban Local Bodies. Chapter 4 contains findings of the performance audit on “*Decentralised Governance including Status of Maintenance of Accounts in Panchayati Raj Institutions*”, Long Paragraph on “*Working of PRI in District Azamgarh*” and findings emerging from Compliance audit of *Panchayati Raj* Institutions.**

**The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 2011-13 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports. Matters relating to the period subsequent to 2011-13 have also been included wherever necessary.**