| TABLE OF CONTENTS | | | |
|--|--------------|------|--|
| | Reference to | | |
| | Paragraph | Page | |
| Preface | | V | |
| Overview | | vii | |
| PART-A | | | |
| CHAPTER-I | | | |
| AN OVERVIEW OF THE FUNCTIONING, AC | COUNTABI | LITY | |
| MECHANISM AND FINANCIAL REPORTING ISSUES OF | | | |
| PANCHAYATI RAJ INSTITUTIONS | | | |
| Introduction | 1.1 | 1 | |
| Organisational Set up | 1.2 | 2 | |
| Functioning of PRIs | 1.3 | 2 | |
| Formation of Various Committees of PRIs | 1.4 | 3 | |
| Audit Arrangement | 1.5 | 4 | |
| Response to Audit Observations | 1.6 | 5 | |
| Social Audit | 1.7 | 6 | |
| Lokayukta | 1.8 | 7 | |
| Submission of Utilisation Certificates | 1.9 | 7 | |
| Internal Audit and Internal Control System of PRIs | 1.10 | 7 | |
| Financial Reporting Issues | 1.11 | 7 | |
| Conclusion | 1.12 | 12 | |
| CHAPTER-II AUDIT FINDINGS ON PANCHAYATI RAJ INSTITUTIONS | | | |
| Rural Development and Panchayati Raj Department | | | |
| Integrated Watershed Management Programme | 2.1 | 15 | |
| Rural Development Department | | | |
| Border Area Development Programme | 2.2 | 33 | |
| Rural Development and Panchayati Raj Department | | | |
| Social Audit under MGNREG Scheme | 2.3 | 47 | |
| Panchayati Raj Department | 2.3 | ., | |
| Non-Recovery of <i>Pro-rata</i> Charges | 2.4 | 58 | |
| Wasteful Expenditure on Plantation under MGNREG Scheme | 2.5 | 59 | |
| Lack of Transparency in Leasing out of Assets on Rent | 2.6 | 60 | |

| TABLE OF CONTENTS | | | |
|---|--------------|----------|--|
| | Reference to | | |
| | Paragraph | Page | |
| PART-B | | | |
| CHAPTER-III AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM AND FINANCIAL REPORTING OF URBAN LOCAL BODIES | | | |
| Introduction | 3.1 | 63 | |
| Organisational Set up | 3.2 | 64 | |
| Functioning of ULBs | 3.3 | 64 | |
| Formation of Various Committees | 3.4 | 65 | |
| Audit Arrangement | 3.5 | 66 | |
| Response to Audit Observations | 3.6 | 67 | |
| Lokayukta | 3.7 | 68 | |
| Property Tax Board | 3.8 | 68 | |
| Fire Hazard Response | 3.9 | 69 | |
| Submission of Utilisation Certificates Internal Audit and Internal Central System of III Da | 3.10 | 69 69 | |
| Internal Audit and Internal Control System of ULBs Financial Reporting Issues | 3.11 | 69 | |
| Conclusion and Recommendations | 3.12 | 75 | |
| CHAPTER-IV AUDIT FINDINGS ON URBAN LOCAL BODIES | | | |
| Local Self Government Department Non-tax Receipts in Nagar Nigams (Municipal Corporations) | 4.1 | 77 | |
| Short Realisation of Revenue | 4.2 | 92 | |
| Irregular Retention of Urban Assessment (Ground Rent) | 4.3 | 93 | |
| Short Realisation of Revenue | 4.4 | 94 | |
| Funds Lying Idle | 4.5 | 95 | |
| Unauthorised Execution of Work Prior to Finalisation of Tender | 4.6 | 96 | |
| Avoidable Extra Expenditure | 4.7 | 97 | |
| Imprudent Decision Led to Procurement of Fodder on Higher Rates | 4.8 | 99 | |