

Table of Contents

Description	Reference to	
	Paragraph	Page
Preface	iii	
Executive Summary	v-ix	
CHAPTER-I: Introduction to the Local Government of the Punjab and its Audit		
An overview of Local Governments of Punjab	1.1	1
Fund Flow	1.2	2
Brief overview of devolution	1.3	2
Important activities undertaken by Local Governments during the years 2018-23	1.4	2
Audit Mandate Methodology	1.5	3
Overview of CAG's Audit Reports	1.6	3
Scope of Audit	1.7	4
Sources of Criteria	1.8	4
Acknowledgement	1.9	4
CHAPTER-II: Overview of Panchayati Raj Institutions		
Introduction	2.1	5
Functioning of PRIs	2.2	5
Formation of various Committees	2.3	9
Response to audit observations	2.4	10
Source of Funds	2.5	10
Recommendations of the State Finance Commission (SFC) and utilisation of SFC Funds	2.6	13
Recommendations of the Central Finance Commission (CFC), funds received and utilisation thereof	2.7	14
Maintenance of Records	2.8	15
Maintenance of Accounts by PRIs	2.9	15
Audit of Accounts maintained by PRIs	2.10	16
Social Audit	2.11	16
CHAPTER-III: Long Draft Paras of PRIs		
LDP on Construction, repair and maintenance of community assets in Panchayati Raj Institutions	3.1	19
LDP on Land Management in Panchayati Raj Institutions	3.2	30
CHAPTER-IV: Special Audit of PRIs		
Lack of recording of the collection of ₹ 8.88 lakh and irregular payment of ₹ 49.53 lakh	4.1	39

Description	Reference to	
	Paragraph	Page
CHAPTER-V: Overview of Urban Local Bodies		
Introduction	5.1	41
Functioning of ULBs	5.2	41
Formation of Committees	5.3	45
Responses to audit observations	5.4	46
Property Tax Board	5.5	46
Source of Funds	5.6	46
Recommendations and release of the State Finance Commission Grants	5.7	51
Recommendations of the Central Finance Commission (CFC) and utilisation of CFC Funds	5.8	51
Maintenance of records	5.9	53
Maintenance of accounts by ULBs	5.10	53
Audit of Accounts maintained by Urban Local Bodies	5.11	53
CHAPTER-VI: Long Draft Paras of ULBs		
LDP on Construction and Maintenance of Roads & Bridges	6.1	55
LDP on Revenue Collection in Urban Local Bodies	6.2	59
CHAPTER-VII: Special Audit of ULBs		
Withdrawal of ₹ one lakh from Council funds without complying with codal provisions	7.1	71
Excess payment of security deposits to the contractor by tempering with the records- ₹ 1.33 lakh	7.2	72
APPENDICES		75