

P R E F A C E

1. This report has been prepared for submission to the Government of Madhya Pradesh in accordance with terms of Technical Guidance and Supervision over the audit of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) by the Comptroller and Auditor General of India as envisaged by the Eleventh Finance Commission.
2. This report has been prepared in two Parts. Part - I deals with the observations on ULBs and Part – II with the observations on PRIs.
3. Chapter I of this Report contains a brief introduction on the functioning of ULBs; Chapter II deals with observations and comments on the accounting procedures of ULBs.
4. Chapter III of the report deals with audit observations and comments on Transfer of Functions, Functionaries and Funds; Release and utilisation of Twelfth Finance Commission Grants (TFC);
5. Chapter IV deals with execution of works; Chapter V includes observation on revenue receipts; Chapter VI includes other points of interests and Chapter VII consists of recommendations on ULBs.
6. Chapter VIII of this report contains a brief introduction on the functioning of PRIs; Chapter IX deals with observations and comments on the accounting procedures of PRIs.
7. Chapter X deals with the observations on Transfer of Functions, Functionaries and Funds; Release and utilisation of Twelfth Finance Commission Grants (TFC);
8. Chapter XI deals with execution of works of PRIs; Chapter XII consist of recommendations on PRIs.
9. The cases mentioned in the report are those, which came in to notice during course of audit of transactions/inspection of accounts relating to periods 2006-07 and earlier years.