

## TABLE OF CONTENTS

Contents	Paragraph	Page (s)
Preface		v
Overview		vii-xii
<b>Part-A</b>		
<b>PANCHAYATI RAJ INSTITUTIONS</b>		
<b>CHAPTER-I</b>		
<b>An Overview of the Functioning, Accountability Mechanism and Financial Reporting issues of Panchayati Raj Institutions</b>		
Introduction	1.1	1
Organisational set-up in State Government and PRIs	1.2	2
Functioning of PRIs	1.3	2
Formation of various committees	1.4	4
Audit arrangement	1.5	5
Response to Audit Observations	1.6	7
Ombudsman	1.7	7
Social Audit	1.8	8
Lokayukta	1.9	8
Submission of Utilisation Certificates	1.10	9
Internal Audit and Internal Control system in PRIs	1.11	9
Financial reporting issues	1.12	10
<b>CHAPTER-II</b>		
<b>Performance Audit of “Working of PRIs in Assam”</b>		
Introduction	2.1	20
Organisational set-up	2.2	20
Powers and functions of PRIs	2.3	21
Funding arrangements	2.4	21
Audit objectives	2.5	22
Audit criteria	2.6	23
Scope of audit	2.7	23
Audit methodology	2.8	23
Acknowledgement	2.9	23
Devolution of funds, functions and functionaries to PRIs	2.10	24
Functioning of PRIs	2.11	25
Financial Management	2.12	28
Revenue Mobilisation	2.13	32
Implementation of Social Sector programmes	2.14	36
Oversight role of the Authorities	2.15	41
Internal Control procedures and Internal Audit Systems in PRIs	2.16	42
Conclusion	2.17	44
Recommendation	2.18	44
<b>Chapter-III</b>		
<b>Compliance Audit of PRIs</b>		
Misappropriation in Birsing Jarua Anchalik Panchayat	3.1	47
Unfruitful expenditure in Ghilamara AP	3.2	48

<b>Contents</b>	<b>Paragraph</b>	<b>Page (s)</b>
Unfruitful expenditure in Bahir Salmara Gaon Panchayat	3.3	50
Avoidable extra expenditure in Darrang Zilla Parishad	3.4	51
Undue Financial Benefit to the contractor in Dhubri Zilla Parishad	3.5	52
Unfruitful expenditure in Matia Anchalik Panchayat (AP)	3.6	53
Undue financial benefit to lessees and loss of Government revenue by not registering lease deeds by PRIs	3.7	54
<b>Part-B</b>		
<b>URBAN LOCAL BODIES</b>		
<b>Chapter-IV</b>		
<b>An Overview of the Functioning, Accountability Mechanism and Financial Reporting issues of Urban Local Bodies</b>		
Introduction	4.1	57
Organisational set-up in State Government and ULBs	4.2	58
Functioning of ULBs	4.3	58
Formation of various Committees	4.4	60
Audit arrangements	4.5	60
Response to Audit observations	4.6	62
Ombudsman	4.7	62
Social Audit	4.8	62
Lokayukta	4.9	63
Internal Audit and Internal Control system in ULBs	4.10	63
Financial Reporting issues	4.11	66
<b>Chapter-V</b>		
<b>Performance Audit of "Implementation of Swarna Jayanti Shahari Rojgar Yojana"</b>		
Introduction	5.1	74
Organisational Set up	5.2	75
Audit Objective	5.3	76
Audit Criteria	5.4	76
Audit Scope and Methodology	5.5	76
Acknowledgement	5.6	77
Planning	5.7	77
Financial Management	5.8	78
Programme Implementation	5.9	83
Monitoring and Evaluation	5.10	92
Conclusion	5.11	93
Recommendations	5.12	93
<b>Chapter-VI</b>		
<b>Compliance Audit of ULBs</b>		
Excess expenditure of ₹ 79.43 lakh due to delay in completion of work in Diphu Town Committee	6.1	95
Undue financial benefit to contractor and loss due to interest not levied by Jorhat Municipal Board	6.2	96
Unfruitful expenditure due to project not completed by the Jorhat Municipal Board.	6.3	97
Injudicious expenditure on purchase of Land at Kakodunga by Jorhat Municipal Board	6.4	99

APPENDICES		
Appendix No.	Details	Page (s)
I	Roles and Responsibilities of Standing Committees of PRIs.	103
II	Internal Control systems at the level of PRIs	104
III	Details of IT and VAT not deducted	105
IV	Details of short collection of <i>kist</i> money	106
V	Details of Cash book and Bank balance not being reconciled	107
VI	List of selected PRIs for the PA of the Working of PRIs in Assam	108
VII	Statement showing the details of holding of Gaon Sabha at GP level during 2010-11 to 2014-15	109
VIII	Statement showing Holding Tax not collected by Gaon Panchayat Authority for the period from 2010-11 to 2014-15	110
IX	Statement showing short collection of <i>kist</i> money from the lessee concerned	111
X	Details of schemes implemented but not approved by General Body Meeting of Dibrugarh ZP	111
XI	Statement showing the diversion of fund by AP and GP during the period from 2010-11 to 2014-15	112
XII	Statement showing details of 10 <i>per cent</i> contractors' profit not deducted for the works executed departmentally	113
XIII	Statement showing compensation/ penalty not realised from the contractors for delay in completion of construction of AP/GP office/multipurpose hall/ staff quarters under the award of 4 <sup>th</sup> Assam State Finance Commission	114
XIV	Statement showing registration fees and Stamp Duty not realised for the period from 2006-07 to 2013-14	118
XV (A)	Details of preparation of budget without taking into account the past trend of receipt	119
XV (B)	Details of preparation of budget without taking into account the past trend of expenditure	119