

TABLE OF CONTENTS

Contents	Paragraph	Page (s)
Preface		v
Overview		vii-xii
PANCHAYATI RAJ INSTITUTIONS		
CHAPTER-I		
An Overview of the Functioning, Accountability Mechanism and Financial Reporting issues of Panchayati Raj Institutions		
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	6
Discussion of Audit Reports by Legislature	1.7	7
Ombudsman	1.8	7
Social Audit	1.9	7
Lokayukta	1.10	8
Submission of Budget	1.11	8
Submission of Utilisation Certificates	1.12	9
Internal Audit and Internal Control system in PRIs	1.13	9
Sources of funds	1.14	11
CHAPTER-II		
Compliance Audit of “Implementation of National Rural Livelihood Mission”		
Introduction	2.1	17
Audit Scope and Methodology	2.2	18
Deficiencies in planning	2.3	18
Allocation, release and utilisation of funds	2.4	22
Implementation	2.5	24
Monitoring and evaluation	2.6	30
Conclusion	2.7	31
Recommendations	2.8	32
CHAPTER-III		
Compliance Audit of PRIs		
Misappropriation at Golaghat Zilla Parishad (ZP)	3.1	33
Misappropriation at Sivasagar Anchalik Panchayat (AP)	3.2	34
Wasteful expenditure in Cachar ZP	3.3	35
Unfruitful expenditure in Agomoni AP	3.4	36
Idle expenditure in Lakhimpur ZP	3.5	38
Unfruitful expenditure in Kakodunga AP	3.6	40

URBAN LOCAL BODIES		
CHAPTER-IV		
An Overview of the Functioning, Accountability Mechanism and Financial Reporting issues of Urban Local Bodies		
Introduction	4.1	43
Organisational set-up in State Government and ULBs	4.2	44
Functioning of ULBs	4.3	44
Formation of various Committees	4.4	45
Audit arrangements	4.5	46
Response to Audit observations	4.6	47
Ombudsman	4.7	48
Social Audit	4.8	48
Lokayukta	4.9	48
Budget formulation	4.10	49
Internal Audit and Internal Control system in ULBs	4.11	49
Sources of funds	4.12	51
CHAPTER-V		
Performance Audit of “Management of Own funds by Municipal Boards including collection of Revenue”		
Introduction	5.1	58
Sources of Revenue for Municipal Boards (MBs)	5.2	58
Organisational Set up	5.3	59
Audit Objectives	5.4	60
Audit Scope, Sampling and Methodology	5.5	60
Audit Criteria	5.6	60
Municipal Taxation	5.7	60
Municipal Finance	5.8	66
Municipal Infrastructure	5.9	69
Role of Government in mobilisation of revenue resources of the MBs.	5.10	70
Monitoring and Evaluation	5.11	71
Conclusion	5.12	71
Recommendations	5.13	72
CHAPTER-VI		
Compliance Audit of ULBs		
Expenditure on works not executed in Dokmoka Town Committee (TC)	6.1	73
Loss of revenue to Guwahati Municipal Corporation for making payment without verifying records submitted by NGOs.	6.2	74
Loss of revenue to Guwahati Municipal Corporation in collection of Municipal Solid Waste	6.3	76
Loss due to delayed implementation of Arbitration award by Guwahati Municipal Corporation	6.4	79
Undue advance extended to contractor by Dokmoka TC, leading to non-completion of project	6.5	81

APPENDICES		
Appendix No.	Details	Page (s)
I	Roles and Responsibilities of Standing Committees of PRIs.	85
II	Internal Control System at the level of PRIs	86
III	Statement showing details of PRIs which had not reconciled Cash Book with Bank Passbook	87
IV	Details of kist money collected and deposited in Bank	88
V	List of Taxes and Fees which MBs may impose as per the provisions of the Assam Municipal Act, 1956	89

