

TABLE OF CONTENTS

	Reference to	
	Paragraph	Page
Preface		v
Executive Summary		vii
PART A: PANCHAYATI RAJ INSTITUTIONS		
CHAPTER-I		
Overview of Panchayati Raj Institutions		
Background of Panchayati Raj Institutions	1.1	1
Organizational structure of Panchayati Raj Institutions	1.2	2
Financial profile	1.3	4
Accountability framework of Panchayati Raj Institutions (Internal Control System)	1.4	6
CHAPTER-II		
Results of audit of Panchayati Raj Institutions		
Non-handing over of cash by the Sarpanches	2.1	9
Irregular cash withdrawals from bank through self-cheques	2.2	9
Short collection	2.3	9
Execution of works without estimates	2.4	10
Unauthorised occupation of shamlat land	2.5	10
Non-production of vouchers	2.6	11
Non-recovery of outstanding rent	2.7	11
Irregular purchase of material	2.8	11
Non-preparation of annual accounts	2.9	12
Irregularities in auction of shamlat land	2.10	12
PART B: URBAN LOCAL BODIES		
CHAPTER-III		
Overview of Urban Local Bodies		
Background of Urban Local Bodies	3.1	13
Organizational structure of Urban Local Bodies	3.2	14
Financial profile	3.3	15
Accountability framework of Urban Local Bodies (Internal Control System)	3.4	17

	Reference to	
	Paragraph	Page
CHAPTER-IV		
Results of audit of Urban Local Bodies		
Blockade of funds	4.1	19
Non-deduction/remittance of labour cess	4.2	19
Non-deposit of cancer and culture cess	4.3	21
Short deduction of Value Added Tax	4.4	21
Unauthorized construction of shops	4.5	22
Incomplete work	4.6	23
Irregular payment of electricity bills	4.7	24
Wasteful expenditure	4.8	24

APPENDICES

Appendix		Reference to Page
I	Staff position in Panchayati Raj Institutions as on 31 March 2015	27
II	Statement showing non-maintenance of data of Gram Panchayats	28
III	Non-reconciliation of withdrawals and deposits from/into banks	31
IV	Statement showing operation of multiple bank accounts	34
V	Statement showing non-handing over of cash by the Sarpanches	36
VI	Statement showing irregular cash withdrawals from bank through self-cheques	37
VII	Statement showing short collection of Panchayat Secretary wages	39
VIII	Statement showing execution of works without estimates	40
IX	Details of non-production of vouchers	41
X	Details of non-recovery of outstanding rent	42
XI	Details of irregular purchase of material	43
XII	Details of non-preparation of annual accounts	46