

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 each part of this Report contains a brief introduction on the functioning and accounting procedures of ULBs/PRIs.
4. The cases mentioned in the report are those, which came into notice during the course of audit of transaction/inspection of accounts during 2008-09 as well as those which had come to notice during earlier years, but could not be dealt with in the previous Reports; matters relating to the periods subsequent to 2008-09 have also been included, wherever necessary.