

CHAPTER – VII : FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

SECTION – B – PARAGRAPHS

7.1 Extent of assistance

7.1.1 Autonomous bodies and authorities are set up to discharge generally non-commercial functions of public utility services. These bodies/authorities by and large receive substantial financial assistance from Government. Government also provides substantial financial assistance to other institutions such as those registered under the respective State Co-operative Societies Act, 1956, *etc.*, to implement certain programmes of the State Government. The grants were intended essentially for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and hospital buildings, improvement of roads and other communication facilities under municipalities and local bodies.

During 1999-2000 financial assistance of Rs.41.36 crore was paid to various autonomous bodies and others as compared to Rs.33.28 crore paid in 1998-99 as shown below:

Name of Institution	(Rupees in crore)	
	1998-99	1999-2000
1. Universities and Educational Institutions	Nil	Nil
2. Municipal Corporations and Municipalities	Nil	Nil
3. District Councils	33.12	40.98
4. Mizofed (Co-operative Societies)	0.16	0.38
5. Hospitals and other Charitable Institutions	Nil	Nil
6. Other Institutions	Nil	Nil
Total:	33.28	41.36

The reason for non-release of financial assistance to Universities and Educational Institutions and other Institutions during 1999-2000 had not been furnished (October 2000).

7.1.2 Delay in submission of accounts

In order to identify the institutions which attract audit under Section 14/15 of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971, Government is required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose for

which assistance was sanctioned and the total expenditure of the institutions. Information for the year 1999-2000 called for in June 2000 from 20 institutions, was awaited from 9 institutions as of October 2000.

The status of submission of accounts by autonomous bodies covered under Section 19(3) of the Act and submission of Audit Reports thereon to the State Legislature as of October 2000 is given below:-

Sl. No.	Name of Body	Accounts due	Year upto which Accounts submitted	Audit Reports issued	Reasons for non finalisation of Audit Reports	Year upto which Audit Report placed before Legislature
1.	Mizoram Khadi & Village Industries Board	1999-2000	1998-99	1998-99 Date : 21.08.2000	Due to delay in submission of accounts	Upto 1997-98 and information regarding placement of AR 1998-99 is still awaited

The audit of accounts of the following body has been entrusted to the Comptroller and Auditor General of India for a period of 5(five) years as detailed below:-

Sl. No.	Name of Body	Period of entrustment	Date of entrustment
1.	Mizoram Khadi & Village Industries Board, Aizawl	1996-97 to 2001-2002	12 May 1997

7.1.3 Audit arrangement

The primary audit of local bodies (Zilla Parishads, Nagar Palikas, Town area/ Notified Area Committee), educational institutions and others is conducted by the examiner of Local Accounts. Audit of Co-operative Societies is conducted by the Internal Auditor of the Registrar of Co-operative Societies.

Of the 8 bodies/authorities whose accounts for 1998-99 were received, the accounts of 8 bodies/authorities attracted audit. Of these, the audit of 4 bodies/authorities has already been completed.