

GOVERNEMENT OF ASSAM
FINANCE (ECONOMIC AFFAIRS) DEPARTMENT

No.FEA(SFC) 39/2011/21

Dated Dispur May 10, 2011

To: The Principal Secretary,
Assam Legislative Assembly, Dispur

Sub: Formation of Local Fund Accounts Committee and placement of CAG's Audit Report on Local Bodies.

Sir,

I am directed to say that Audit of PRIs and ULBs have been entrusted to the Comptroller and Auditor General (CAG) of India under the Section 20(1) of the CAG's DPC Act 1971. The Eleventh Finance Commission recommended that the audit reports of the CAG relating to audit of accounts of the Local Bodies should be placed before a committee of State Legislature constituted on the same lines as the PAC. The Second Administrative Reform Commission, Government of India, in its Sixth Report recommended, inter alia, that CAG's Audit Report on Local Bodies should be placed before the State Legislature on the same lines as the PAC. Thirteenth Finance Commission has also laid the condition that State Government will attain eligibility for performance grant amount from 2011-12 onwards upto 2014-15 subject to entrustment of Technical Guidance and Support (TGS) to CAG and placement of CAG's Annual Technical Inspection Report on local bodies and Annual Report of the Director of Audit (Local Fund) on local bodies, before the State Legislature by the end of every fiscal year (31st March).

You are, therefore, requested to take immediate necessary steps for constitution of a Local Fund Accounts Committee for examination of audit report of local bodies on the lines of Public Accounts Committee (PAC). We shall also forward CAG's Annual Technical Inspection Report in terms of TGS for the year ended on 31st March 2009 as well as the Annual Report of the Director of Audit (Local Fund) on local bodies, which may be placed before the State Legislature as per Rules of Assembly Business.

Yours faithfully,



Principal Secretary
Finance Department.

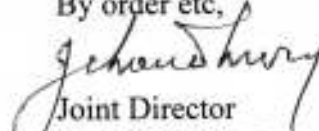
J.S. Dated Dispur March 10, 2011

No.FEA(SFC) 39/2011/21-A

Copy to :

1. The Principal Accountant General (Audit), Assam, Maidamgaon, Beltola, Guwhati-29.
2. The Principal Secretary, Panchayat & Rural Development Department.
3. The Principal Secretary, Urban Development Department.
4. The Commissioner & Secretary, Guwahati Development Department.
5. The Joint Secretary, Finance (A&F) Department.
6. The Director of Audit (Local Fund), Assam, Kar Bhawan, Dispur, Guwahati-781 006.

By order etc,



Joint Director
Finance (Economic Affairs) Department.

