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CAG to audit ULBs

Bangalore, Sept 16, DHNS:

Accounts of city corporations, including Bruhat Bangalore Mahanagara Palike (BBMP) and other urban local bodies in the State have finally come under the purview of the Comptroller and Auditor General of India (CAG).

The move takes significance as huge inflow of grants go to urban local bodies under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and under devolution of funds from Union and State Finance Commissions.

But it took the State government five years to issue the relevant orders for supervision of audit arrangement of urban local bodies by CAG.

The Centre had directed the State government way back in 2005 to issue orders for entrusting maintenance and accounts of urban local bodies to the CAG. Though the Controller, State Accounts Department is responsible for audit of urban local bodies in the State, the Union Finance Ministry felt that audit by CAG would help in strengthening accountability and transparency.

An order for technical collaboration with the CAG for audit was issued by the State government during May 2005, but it was kept under abeyance following certain issues raised by the Department of Law, official sources told Deccan Herald.

However, nothing moved till the Principal Auditor General in September last year once again wrote to the State government to consider entrusting the audit accounts of all urban bodies to the CAG. The State government, has now finally conceded to the request.