

Presentation on 15th FC and Audit

By

Himachal Pradesh

Allocation/Receipt/ Utilization of grants under the Fifteen Finance Commission (FC XV) for period 2020-21, 2021-22, 2022-23

Year	Untied Grants (Rs.Crore)				Tied Grants (Rs. Crore)			
	Allocation	Receipt	Utilization	%	Allocation	Receipt	Utilization	%
2020-21	214.50	214.50	0.91	0.43	214.50	214.50	0.03	0.02
2021-22	126.80	126.80	52.13	41.11	190.20	190.20	42.48	22.86
2022-23	131.60	131.60	195.19	148.32	197.40	98.70	149.01	150.97
Total	472.90	472.90	248.24	52.49	602.10	503.40	192.52	38.24

The Second installment of Tied Grant of Rs.98.70 crore for the Financial Year 2022-23 is to be released by Government of India.

Assets Generated out of 15th FC Grants during 2020-2023

Type of Assests Created out of United Grants			Type of Assets Created out of Tied Grants			Whether Geo-Tagged in eGramSw araj
Category	No/ Units	Value In (Rs.Crore)	Category	No/ Units	Value	2020-23
Immovable	2453	Being collected from field (As data is not available in eGS)	Moveable	96	Being collected from field (As data is Not available in eGS)	39641
Ongoing/ Near completion	57133	440.76				

The reporting system existing in the State to monitor the utilization of 15th FC funds

At Block level, the Block Development Officer-cum-CEO Panchayat Samiti monitor the the utilization of 15th FC funds.

At District level, the CEO Zila Parishad and District Panchayat Officers monitor the utilization of 15th FC Funds.

At State Level, the Director, Panchayati Raj monitor the utilization of 15th FC Funds.

The utilization of 15th FC funds is also being monitored through eGramSwaraj Software.

Audit of Panchayats' Annual Accounts

➤ Audit of 90% PRIs is conducted by Departmental Auditors. 100% target will be achieved till 31st March 2023

FY of Annual Accounts Audited	Total no. of RLBs in State	No. of RLBs audited online		No. of RLBs Audited offline	
		By Departmental Auditors (Audit of 14 th and 15 th fin. Grant)	By empanelled CAs	By Departmental Auditors	By empanelled CAs
				(Complete audit of all heads)	
2019-20	GP-3226	GP- 825 (26%)	0	GP-666 (20%)	0
	PS-81	PS-0		PS-14 (17%)	
	ZP-12	ZP-0		ZP-2 (16%)	
2020-21	GP-3615 (3226)	GP-3054 (95%)	0	GP-1758 (48%)	0
	PS-81	PS-48 (59%)		Ps-24 (29%)	
	ZP-12	ZP-0		ZP-1 (8%)	
2021-22	GP-3615	GP-2758 (76%)	0	GP-1766 (48%)	0
	PS-81	PS-34 (42%)		PS-17 (20%)	
	ZP-12	ZP-0		ZP-1 (8%)	

Existing capacity of Audit Cell of Panchayati Raj Department in the State

Designation	Sanctioned Strength	In position	Efforts made to Strengthen the Auditing Units
Director	1	1	
Joint Director	1	1	
District Audit Officers	13	13	Training has been imparted to all audit staff.
Auditors	83	74	Training has been imparted to all audit staff.

➤ **Strategy and Preparedness of the state for 100% Audit Of RLB from 2023-24:**

- We prepare Annual Audit Plan for the Audit of 100% RLBs before 31st March for next financial year. 90% GPs are audited by Departmental Auditors and 10% RLBs are Audited by HP State Audit Department. In case if we do not achieve 100% audit target, audit of RLBs can be conducted through CA also.

Strategy to Strengthen Audit Infrastructure:

- Vacant posts are being filled up on priority.
 - Committee has been constituted to monitor the progress of Audit.
 - In recently held meeting under the chairmanship of principle AG HP, It was purposed by AG that training to the department audit wing can be provided need based. PR department was requested to send the nominations
 - The department on its own has been organising foundation and refresher courses to the newly recruited and senior auditors
- ## ➤ **Name of appropriate forums/levels where action taken Report(ATR) on the audit observation is to be placed in terms of the audit rule of the state.**
- As per Himachal Pradesh Panchayati Raj Act 1994 section 118(5) the annual audit report is placed before State Legislature every year.

➤ **Suggestion in respect of time schedule to be followed for follow up actions on Audit observations at appropriate forums/levels prior to their laying in the Assembly/Gram Sabha in terms of the audit rule of the state:**

➤ As per HIMACHAL PRADESH PANCHAYATI RAJ (FIN) RULES, 2002 Rule 87 the report regarding pending audit Paras will be published in month of march every year and there is 6 month time for compliance of audit objections by Secretary of the concerned GP.

➤ **Suggestion in respect of Action taken Module proposed to be incorporated other aspects towards strengthening MoPR AuditOnline Application:**

➤ As per point number 3 of Proposed ATR the briefing on the Audit Report in Gram Sabha would be taken in presence of BDO/DPO, which is not feasible in case of H.P. State. According to H.P. Panchayati Raj Act and Rule the presence of BDO/DPO in Gram Sabha meetings is not mandatory.

➤ Report(KPI) regarding number of observations should be enhanced with number of observations settled on the Dashboard of AuditOnline application.

➤ **Suggestion on enforcing compliance on audit paras by RLBs like linking to further fund flow to the Panchayats etc:**

➤ As per HIMACHAL PRADESH PANCHAYATI RAJ(Fin) RULES, 2002 Rule 83 there is provision to block the grant of such Gram Panchayats which fail to submit the compliance within six month of issuance of audit report. Such type of provision could be made by linking RLB fund flow with AuditOnline application.

Status of election to the RLBs in the State

Tier of RLB	Details of Latest Due Elections		Remarks/ Reasons for non-conduct of elections
	Month/ Year in which elections due	Month/ Year in which elections were actually conducted	
Gram Panchayat	January, 2025	December, 2020	No comments
Panchayat Samiti	January, 2025	December, 2020	
Zila Parishad	January, 2025	December, 2020	

Changes required in GTC format, if any

The information of constitution of SFC and PFMS at point No.5 and 6 of the format should not be insisted every time.

Because the information of constitution of State Finance Commission and information of account linked with PFMS has already been available with the MoPR, Government of India.

Present Status of constitution of SFC including strategy and preparedness to lay the explanatory memorandum in the State Legislature before March, 2024, as required

In the State of HP the 6th State Finance Commission has been constituted in the year 2020.

The SFC Report was submitted to the Government on January, 2023.

The report of SFC accepted by the Government on 6th March, 2023.

The ATR will be laid in the State Legislature in the Budget Session for the year 2023-24.

Any other relevant point and feedback in respect of the above.

Asset directory report with completion value.

Work wise cash book report is not available.

Revoke back functionality of the Activity delegated by PS and ZP is not available.

Sub category wise analysis report to monitor the work of Tied Fund is not available.

Status report of delegated activity at Panchayat level to monitor the progress at GP level.

Tied/ Untied receipt rectification module is not available which has already taken by the PRIs in previous FY.

Approval of reverse receipt at block level.

Interest receipt option is not available yet.

Online option for creation of UCs.

Registration on m-action at block level.

Receipt Generate report.

Year wise receipt and expenditure report.(with out include OB)

THANKS