



D.O. No. R-16012/1/2020-FD

Dear Sir,

The AuditOnline application was launched on 15<sup>th</sup> April 2020 by the Secretary, Ministry of Panchayati Raj during a VC with all the States with the aim of facilitating online audit of accounts of all the Panchayati Raj Institutions (PRIs) thereby not only enhancing accountability and transparency but also strengthening the credibility of the PRIs and ensuring a sound financial management system. The State was asked to initiate audit for 100% GPs (58,766 GPs) using AuditOnline, particularly for the accounts of 14<sup>th</sup> Finance Commission for the year 2019-20. The progress of the State is found satisfactory, however, as per the information available with the Ministry, the target for audit reports is yet to be achieved. The current status of the State on AuditOnline may be seen at **Annexure – I**.


2. As you are aware; owing to the current COVID-19 pandemic situation, untied grants to the tune of **Rs. 8,923.80 crores** were released to 25 States for providing grants to their respective rural local bodies for various prevention & mitigation measures against the COVID-19 pandemic, for all the tiers of the Panchayats without levying the mandatory conditions. However, it is submitted that the further release of grants i.e. Tied grants and the remaining Untied grant; shall be done on fulfilling the requisite conditions - availability of provisional and audited accounts online.

3. It is also submitted that during the next phase of AuditOnline; for the audit period 2020-21; audit of both 14<sup>th</sup> Finance Commission and XV Finance Commission accounts for the period 2020-21 would have to be carried out. Moreover, since XV Finance Commission grants for the period 2020-21 were provided to all the three tiers of Panchayats; auditing their accounts also becomes essential. It is therefore requested to direct the concerned officials to expedite the required activities under AuditOnline for completing the Audit process to achieve the 20% target and also to commence the audit of subsequent period 2020-21.

4. An appraisal under the Chairmanship of Hon'ble Minister of Panchayati Raj is being scheduled towards the end of May 2021. It is requested to kindly make it convenient to attend the same along with Director, Local Fund Audit Department. Further details shall be communicated separately.

With warm regards,

Yours sincerely

  
(K. S. Sethi) 13/05/2021

Shri. Manoj Kumar Singh  
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