

STRATEGY AND PREPAREDNESS ON ONLINE AUDIT AND RELEASE PROCEDURE UNDER 15TH FC

STATE: MANIPUR

10/03/2023

1. Allocation/Receipts/Utilization of grants under 15th FC for FY 2020-21, 2021-22 and 2022-23

Year	Untied Grants (Rs. Cr)			Tied Grants (Rs Cr)		
	Allocation	Receipt	Utilization	Allocation	Receipt	Utilization
2020-21	37.08	37.08	37.08	37.08	37.08	37.08
2021-22	21.95	10.97	10.13	33.29	16.46	15.31
2022-23						
Total						

2. Assets Generated out of 15th FC grants during 2020-23

Types of assets created out of Untied Grants			Types of assets created out of Tied Grants			Whether geo-tagged in eGramSwaraj
Category	No/Units	Value	Category	No/Units	Value	

3. Reporting System in the State to monitor the utilization of 15th FC funds

- The monitoring is done by the Block Development Officer concerned
- No fund can be disbursed without the permission of BDO
- Director/Deputy Director conducts review meeting with BDOs from time to time
- ACS conducts review meeting with DCs on regular basis

4. Audit of Panchayats' Annual Accounts

FY of Annual Accounts Audited	Total No of RLBs in the State	No of RLBs audited online		No of RLBs audited offline	
		By Local Fund Auditors	By Empanelled CAs	By Local Fund Auditors	By empanelled CAs
2019-20	161+6	40	Nil	42	Nil
2020-21	161+6	90	Nil	134	Nil
2021-22	161+6	Nil	Nil	Nil	Nil

5. Existing Capacity of Local Fund Audit Department in the State

Sl. No	Name of post	Sanctioned Strength	Men in position	Vacancy	% of shortage	Remarks	Efforts made to strengthen the Auditing Units
1.	Director	1	1	Nil	0	Manipur Finance Service Cadre post which is transferable.	DLFA is pressing the A.D. to fill up the vacant post of 27 auditors and 3 Junior auditors for strengthening auditing units
2.	Joint Director	1	1	Nil	0		
3.	Asst. Director	2	2	Nil	0		
4.	Audit Officer	10	9	1	10		
5.	Auditor	28	1	27	96		
6.	Jr. Auditor	7	3	4	57		
	Total	49	17	32	65		

6. Strategy to get 100% audit of RLBs to meet the condition for the year 2023-24

- The Directorate will pursue the concerned authority not to assign other time bound activities till completion of audits in AuditOnline except on unavoidable circumstances.
- The Directorate is also pressing the Government to fill up the 27 (twenty seven) vacant posts of auditor and other posts on direct recruitment at the earliest. Once, these vacant posts are filled up we can fulfil the terms and conditions of 15th F.C.
- The Directorate will also try to complete online auditing within the stipulated timeline in collaboration with RD & PR Department, Govt. of Manipur.

7. Strategy to strengthen Audit Infrastructure

- In order to strengthen audit infrastructure, the Directorate will request the administrative department to provide more funds so as to procure laptops/computers and other I.T. materials from time to time.

8. Name of the 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 the MANIPUR LOCAL FUNDS (Accounts & Audit) (AMENDMENT) ACT, 1976-Section 11(A) (referred to Notification No. 2/43/85-Leg/L dated 18.01.1986) and in accordance with the Terms and Conditions of Technical Guidance and Support (TG&S) on the audit of accounts of Panchayati Raj Institutions (PRIs) and Urban Local Bodes (ULBs) as entrusted to AG, Manipur vide FD's Gazette Notification No. 6/12/2010-FC dated 24th February, 2012

The Annual Inspection Report is prepared for submission to Government of Manipur for placing it before the State Assembly to provide an overview of the functioning of PRIs and ULBs in the State and draw the attention of the concerned Executive Departments to take appropriate remedial action wherever necessary

9. Suggestions 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 audit Rule of the state

- In terms of Section 44(2) & Section 74(2) of the “Manipur Panchayati Raj Act, 1994” on receipt of the audit report the Zilla Parishad/Gram Panchayat shall either remedy any defects or irregularities which have been pointed out in the audit and send to the Zilla Parishad/Government within three months an intimation of its having done so or shall within the said period supply any explanation to the prescribed authority in regard to such authority in regard to such defects or irregularities as it is required to furnish.
- DLFA Manipur have no objection on the above sections of the MPR, Act 1994.

10. Suggestions in respect of Action Taken Module proposed to be incorporated/other aspects towards strengthening AuditOnline application

- Manipur have no comment on the ATR, “a discussion paper on strengthening Audit Mechanism at grassroots level” provided by the Ministry of Panchayati Raj, Government of India and the points will be feasible on the part of audit.

11. Suggestions on enforcing compliance on audit paras by RLBs like linking to further fund flow to the Panchayats etc

- No Comments

12. Status of election to RLBs in the State

Tier of RLB	Details of Latest Due Elections		Remarks/Reasons for non-conduct of elections
	Month/Year in which election due	Month/Year in which election were actually conducted	
Gram Panchayat	October 2022	Not yet conducted	Due to incomplete delimitation and pending elections for ULBs and ADCs
District Panchayat	October 2022	Not yet conducted	Due to incomplete delimitation and pending elections for ULBs and ADCs

MoF guidelines on provisional and audited accounts of RLBs as requirement for fund release

- Due to issue of shortage of auditors in DLFA, there would be challenges in achieving 100% audit of all PRIs

14. Changes suggested in GTC format, if any, towards the above

- None

Present status of latest SFC in the State including strategy and preparedness to lay explanatory memorandum on its report in the State Legislature before March 2024 as required

- The report for the 4th State Finance Commission, Manipur is already submitted to the Government
- ATR on the recommendations of the 4th SFC yet to be tabled in State Legislature