



**AUDIT  
ONLINE**

**STATE AUDIT**

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**TELANGANA**

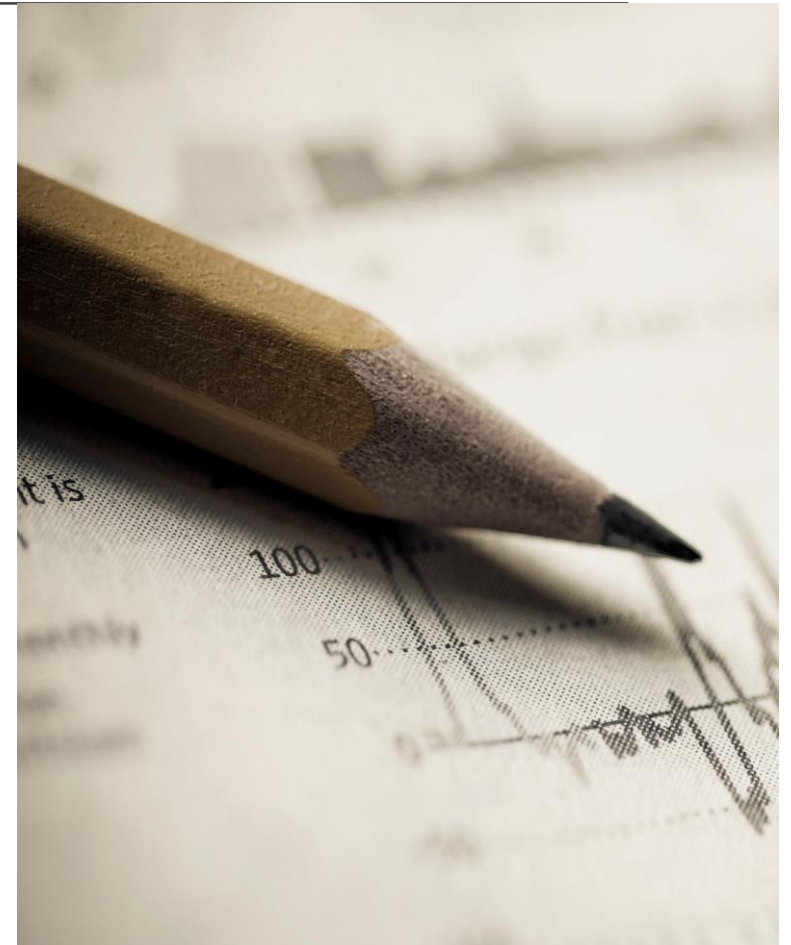


# STATE AUDIT DEPARTMENT OVERVIEW

- State Audit Department previously called as “Local Fund Audit Department” is in existence from 1880
- State Audit Act came into force from 1989
- Statutory auditing authority for local bodies and other authorities as per the act
- Total Cadre strength of the Department is 687
- No. of Dists which have Gram Panchayats : 32 out of 33
- No. of GPs in Telangana: 12796
- No. of GPs selected & completed in Audit Online: 5152 (40.26%) for the Audit Year 2019-20

# STATUS BEFORE AUDIT ONLINE

- Manual maintenance of Annual Accounts
- Delayed/Non-production of Annual Accounts
- Non-Maintenance / Non-Production of records
- Non-observance of timeliness in getting audits done
- Manual processing of Audit Reports by the Audit Teams
- Delay in submission, approval and issue of Audit Reports
- Non-compliance to the Audit Observations by the Auditee
- Non-availability of IT application for conducting audits
- Inadequate Monitoring Mechanism in the auditees



# WHAT EXISTS IN TELANGANA PRIOR TO AUDIT ONLINE



**Approved  
Annual Action  
Plan**



**Formation of  
Audit teams**



**Assigning Audits  
to 280 Audit  
Teams**



**Fixed Audit  
Schedule**



**Regular Audits  
commenced from  
June/July**



**Categorization of  
audit objections  
in place**



**Model Audit  
Report for GP**



**Inhouse Capacity  
Building**



**Follow-up Action**



# DIGITAL TRANSFORMATION

## NECESSITY FOR AUTOMATION OF AUDIT

- Since the Accounts and records are maintained manually and the audit is also not equipped with computer aided audit techniques, there is every need to adapt ICT Initiatives for better accounts and audit compliances more so in the era of e-Governance.
- From manual to ICT initiative, the wide gap existing has been abridged by adaption to audit online for ensuring transparency and Accountability.
- Successive Central Finance Commissions emphasised timely audits and recommended for ICT initiatives in accounts and audits. MoPR carried the same in a mission mode.
- To overcome delays in rendering accounts, their audits and audit compliances, the ICT intervention is a necessity to enhance accountability and transparency.
- Data generated from different applications of Panchayat Raj were not used during audit due to lack of specific application for audit

# TIME AND COST EFFECTIVENESS OF AUDIT ONLINE

Sl	Component	Prior to Audit Online	Using Audit Online	Result
1	No. of Days required for completing audit of <b>5152 GPs</b> by 280 Audit Teams	72 days	52 days	20 days saved (5600 mandays)
2	Time Taken for submission of Draft Audit Report by Audit Teams	15 days from completion of audit	7 days from completion of audit	8 days saved
3	Time taken for Approval and Issue of Audit Report	15 days from receiving of draft audit report	7 days from receiving of draft audit report	8 days saved
4	No. of days taken for receiving audit report by Gram Panchayat through Post	4-5 days from dispatch of audit report	Instantly through Audit Online	4-5 days saved
5	Savings - Cost of Paper/Printing and Register Post of audit reports (Tentative for 5152 Audit Reports)	<b>Rs. 11,89,200</b>	<b>Zero</b>	<b>Rs. 11,89,200 saved</b>

# OUTCOMES OF AUDIT ONLINE DURING 2020-21

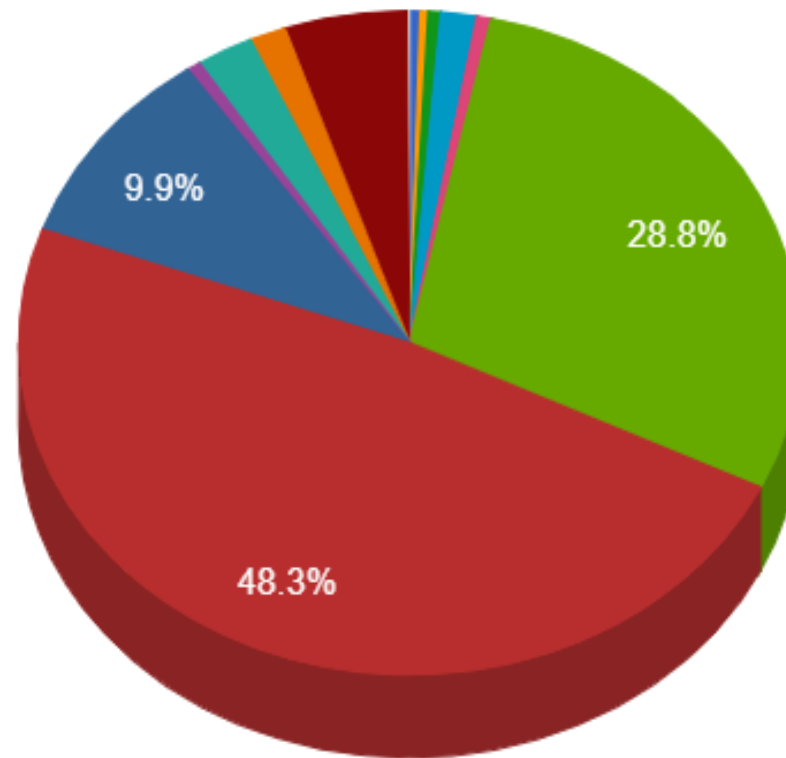
**AUDITS PLANNED – 5152  
GPs**

**AUDITS COMPLETED –  
5152 GPs**

**AUDIT REPORTS ISSUED –  
5152 GPs**

**No. OF OBJECTIONS  
RECORDED – 56,520**

Category Wise Pending Observations



- 01 - Variation in Accounts Figures
- 03 - Diversion of Grant or Fund
- 04 - Non Utilization of Grants before lapsable date
- 07 - Non collection of dues
- 08 - Advances pending adjustment
- 09 - Violation of Rules
- 10 - Non remittance of deduction...
- 11- Non Production of Records
- 12 - Misappropriations and Funds
- 13 - Excess Payments
- 16 - Pendency of Utilization Certi...
- 18 - Others
- Other

# 2021-22 PLAN – PRESENT STATUS



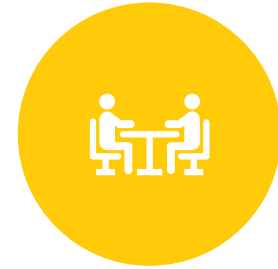
**AUDIT TARGET –  
12769 GPS**



**AUDITS PLANNED  
IN AUDIT ONLINE –  
12762 GPS**



**AUDIT TEAMS –  
280**



**INTIMATIONS  
ISSUED – 9327  
GPS**

*100% Grampanchayat audits would be completed by mid-November 2021*

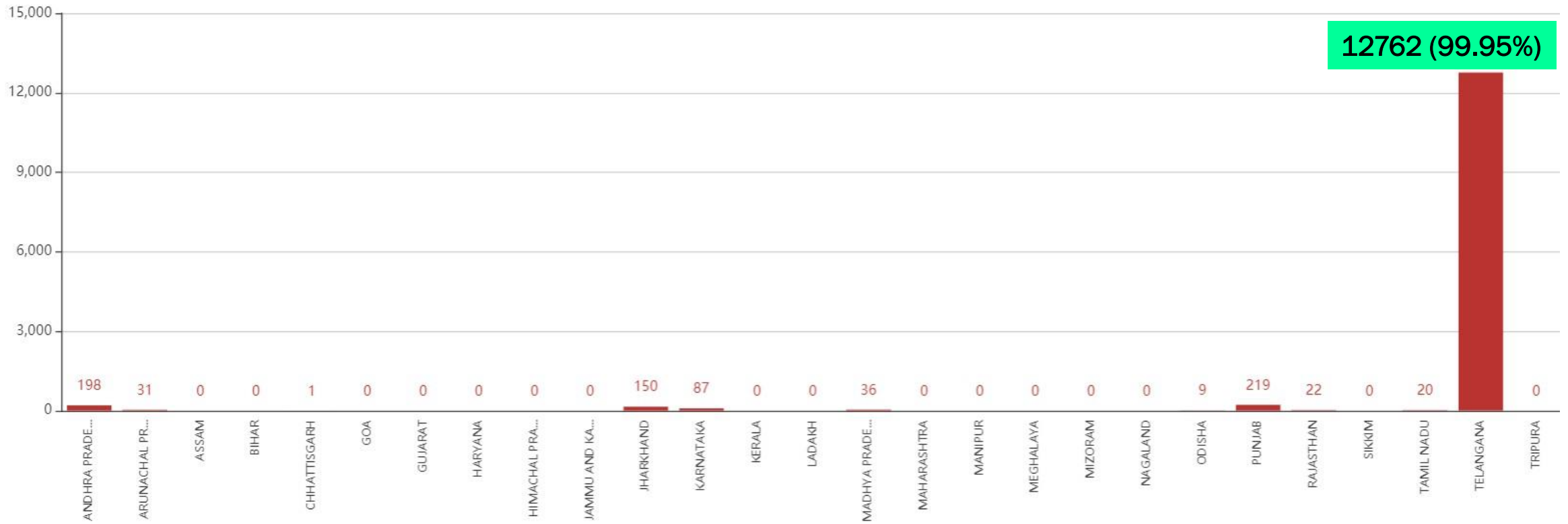




# AuditOnline

Facilitating Audit In Government

No. of GPs with Audit Plans for the audit year 2020-21



# KEY TAKEAWAYS

**343 Employees** conducted 5152 audits with **minimum physical contact**

**Easy switch over in adapting** Audit Online by the Employees

**Timely completion** of audit, submission, approval and issue of Audit Report

Integration with **PRIA soft enabled access of Annual Accounts and other info**

**Monitoring** utilization of funds by the Auditees

Improved **Quality of Audit & Audit Objections**

Improved **Transparency and Accountability**

**Improved skills** among auditors and local body employees (**Cross Learning**)

**MIS Reports** enable **effective Monitoring mechanism**

Tentatively saved **20 days** (5600 man days in audit online when compared to manual process in 5152 GPs by 280 auditors)

Approximately an amount of **Rs. 11,89,200 has been saved** in printing and postage of Audit reports

**Reduced instances of serious lapses** as the audit reports are placed online and monitored more effectively

**More output with Less effort**

## WAY FORWARD

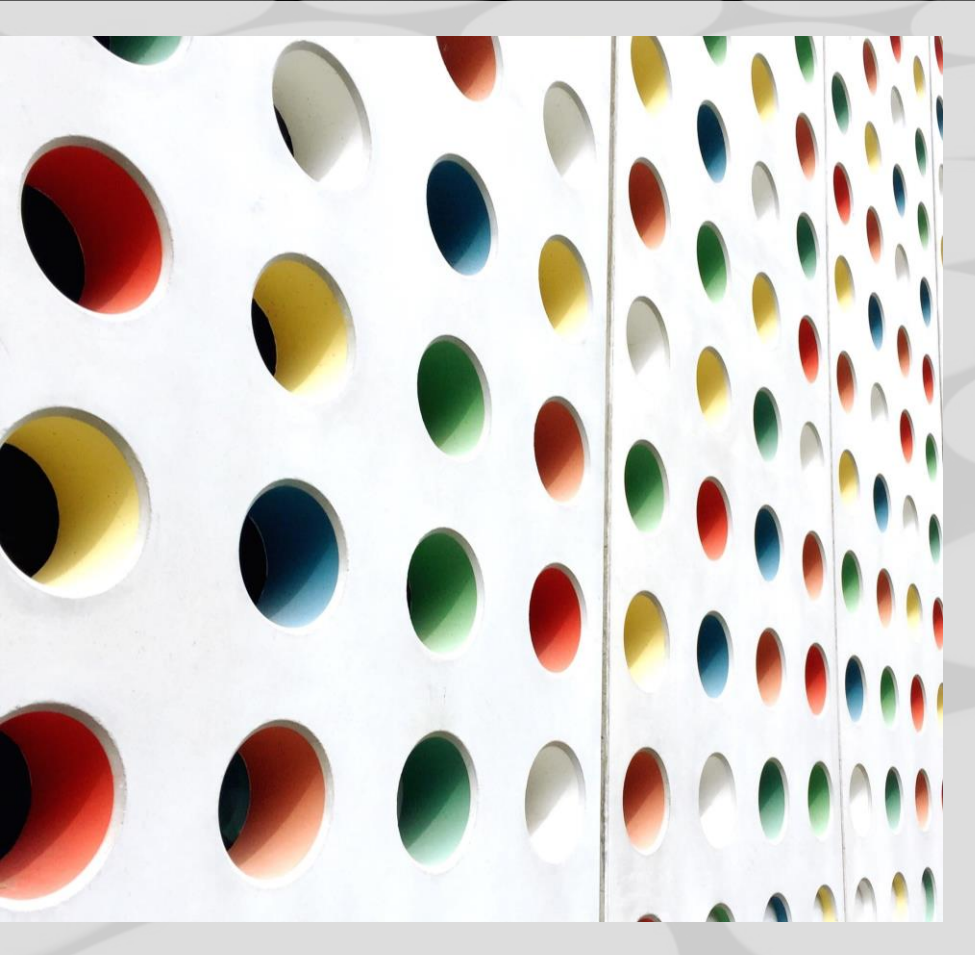
It is a robust platform not mere an application for wider usage

Wider Access to  
data –  
Integration with  
Central & State  
Applications

Real time  
updation of  
information –  
egramswaraj  
portal

Developing data  
analytic tools  
for Performance  
& Predictive  
analysis

Bring other  
Auditees on to  
Audit Online  
Platform  
(ULBs, etc..)



# Thank You

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*M. Venkateshwar Rao,*

Director,

State Audit, Telangana State

9848779521

[director.dsatelangana@gmail.com](mailto:director.dsatelangana@gmail.com)