

GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
RAJYA SABHA
UNSTARRED QUESTION NO. 2015
ANSWERED ON 06.08.2025

AUDITS IN PRIS

2015 SMT. PRIYANKA CHATURVEDI:

Will the Minister of PANCHAYATI RAJ be pleased to state:

- (a) whether Government is aware of the number of Panchayati Raj Institutions (PRIs) in the country which are undergoing timely financial compliance and performance audits, if so, the details thereof, State-wise;
- (b) what are the institutional mechanisms in place to regulate these audits;
- (c) the steps taken by Government against fraudulent practices in the PRIs; and
- (d) the steps taken by Government to create awareness regarding the audit process of PRIs among the general public?

ANSWER

THE MINISTER OF STATE FOR PANCHAYATI RAJ

(PROF. S.P. SINGH BAGHEL)

(a) Yes. As on 31st July 2025, for the audit period 2022-23, 2,59,004 Panchayati Raj Institutions (PRIs) [598 Zila Panchayats (ZPs), 6159 Block Panchayats (BPs), 2,52,247 Gram Panchayats (GPs)] audit plans have been prepared, 2,57,929 Audit reports have been generated, and 27,10,853 audit observations have been recorded. Similarly, for the audit period 2023-24, 2,51,751 PRI [539 Zila Panchayats (ZPs), 5646 Block Panchayats (BPs), 2,45,566 Gram Panchayats (GPs)] audit plans have been prepared, 2,45,083 Audit reports have been generated, and 27,27,079 audit observations have been recorded. A state-wise status of the audit of Gram Panchayats for the audit period 2023-24 is placed as **Annexure**.

(b) to (d) Article 243J of the Constitution of India provides that the Legislature of a State may, by law, make provisions with respect to the maintenance of accounts by the Panchayats and the auditing of such accounts. Accordingly, the subject of auditing of accounts of Panchayats and redressal of audit objections comes within the purview of State Governments.

With substantial funds devolved to Panchayati Raj Institutions (PRIs) by the Finance Commissions, it is essential for States to effectively track fund flow and monitor expenditures to strengthen transparency and accountability. To support States in this endeavour, the Ministry of Panchayati Raj launched AuditOnline (<https://auditonline.gov.in>) on 15th April 2020—an

application designed to facilitate the online auditing of Panchayat accounts and to maintain a digital archive of completed audits.

Moreover, the Fifteenth Finance Commission further reinforced this objective by mandating the online availability of audited PRI accounts as an entry-level condition for rural local bodies to receive 15th Finance Commission grants. States will receive grants for those rural local bodies that have, inter alia, audited accounts for the year before the previously available online.

Further, to enable a more granular and data-driven analysis of audit findings, the Ministry has developed an “Observation Analysis Report” within the AuditOnline framework. This analytical report systematically categorises audit observations into major areas (viz. financial irregularities, procedural lapses, non-compliance with statutory provisions, and deficiencies in asset management, etc), thereby allowing for specific scrutiny. Each major category is further disaggregated into sub-categories to capture specific patterns and recurring audit issues at the transaction level, enabling more targeted scrutiny.

Annexure

Annexure referred to in reply to part (a) of the Rajya Sabha Unstarred Question No. 2015 answered on 06.08.2025)

**State wise Status of Audit of Gram Panchayats for audit period 2023-24 as on
05.08.2025**

S.No.	State Name	No. of PRIs	Audit Plans prepared	% progress	Audit Reports generated	% progress
1	Andhra Pradesh	14,001	13,997	99.97%	13,980	99.85%
2	Arunachal Pradesh	2,133	2,131	99.91%	2,114	99.11%
3	Assam	2,884	1,839	63.77%	620	21.50%
4	Bihar	8,628	8,626	99.98%	8,621	99.92%
5	Chhattisgarh	11,829	11,718	99.06%	11,292	95.46%
6	Goa	193	191	98.96%	191	98.96%
7	Gujarat	14,946	14,919	99.82%	14,863	99.44%
8	Haryana	6,392	6,383	99.86%	4,343	67.94%
9	Himachal Pradesh	3,708	3,708	100.00%	3,706	99.95%
10	Jharkhand	4,633	-	0.00%	-	0.00%
11	Karnataka	6,219	5,950	95.67%	5,950	95.67%
12	Kerala	1,107	1,107	100.00%	1,107	100.00%
13	Madhya Pradesh	23,377	23,356	99.91%	23,100	98.82%
14	Maharashtra	28,337	28,116	99.22%	27,533	97.16%
15	Manipur	3,824	-	0.00%	-	0.00%
16	Meghalaya	3	-	0.00%	-	0.00%
17	Mizoram	843	-	0.00%	-	0.00%
18	Nagaland	1,320	-	0.00%	-	0.00%
19	Odisha	7,138	7,138	100.00%	7,096	99.41%
20	Punjab	13,414	13,293	99.10%	13,191	98.34%
21	Rajasthan	11,650	11,386	97.73%	9,621	82.58%
22	Sikkim	205	205	100.00%	204	99.51%
23	Tamil Nadu	12,949	12,951	100.02%	12,949	100.00%
24	Telangana	13,344	13,341	99.98%	13,309	99.74%
25	Tripura	1,278	1,260	98.59%	1,260	98.59%
26	Uttarakhand	7,903	7,903	100.00%	7,901	99.97%
27	Uttar Pradesh	58,655	58,649	99.99%	58,551	99.82%
28	West Bengal	3,706	3,584	96.71%	3,581	96.63%
	Total	2,64,619	2,51,751	95.14%	2,45,083	92.62%
