

Chapter II

Panchayati Raj Institutions

2.1 An Overview of the functioning of the Panchayati Raj Institutions in the State

2.1.1 Functioning of Panchayati Raj Institutions

The Eleventh Schedule to the 73rd Constitutional Amendment Act, 1992 lists 29 subjects for devolution to strengthen the PRIs. Director, PR&RE Hyderabad informed (October 2022) that the State Government devolved 10 functions⁵ to PRIs. Funds relating to devolved functions are released to PRIs through line Departments⁶ concerned.

Audit enquired about the details of line departments concerned responsible for release of funds for implementation of each devolved function during 2021-22. Director, PR&RE, Hyderabad informed (January 2023) that during 2021-22, only Fisheries Department released funds amounting to ₹ 1.24 crore to PRIs for Fisheries related functions in three⁷ out of thirty-two districts in the State (excluding Hyderabad) and an expenditure of ₹1.02 crore⁸ was incurred out of the releases by these three districts.

2.1.2 Formation of various Committees

2.1.2.1 Constitution of Standing Committees

Section 183 and 49 of TPR Act, 2018 mandates constitution of various Standing Committees at ZPP⁹ and GP¹⁰ levels respectively.

Director, Panchayat Raj & Rural Employment informed (August 2023) that Standing Committees were constituted in all the 32 ZPPs and in all the 12,769 GPs.

⁵ (i) Agriculture and Agriculture Extension (ii) Animal Husbandry, Dairy and Poultry (iii) Drinking Water (iv) Education, including Primary, Secondary and Adult Education and non-formal education, (v) Fisheries (vi) Health and Sanitation (vii) Poverty Alleviation Programme (viii) Women and Child Development (ix) Social Welfare, including Welfare of the Handicapped and Mentally retarded and (x) Welfare of the Weaker sections and in particular of the Scheduled Castes and Scheduled Tribes

⁶ Line departments are Government Departments at the State level, with mandates related to specific thematic sectors
⁷ Jagtial (₹62.64 lakh), Kumuram Bheem-Asifabad (₹0.37 lakh) and Nalgonda (₹60.89 lakh)

⁸ Jagtial (₹62.64 lakh), Kumuram Bheem-Asifabad (₹0.37 lakh) and Nalgonda (₹38.62 lakh)

⁹ Standing Committee for Works, Planning and Finance (ii) Standing Committee for Rural Development (iii) Standing Committee for Agriculture (iv) Standing Committee for Education and Medical Services (v) Standing Committee for Women Welfare (vi) Standing Committee for Social Welfare, and (vii) Standing Committee for Works

¹⁰ (i) Sanitation, dumping yard and burial ground, (ii) Street lights (iii) Plantation and Green cover improvement and (iv) works and shandies

2.1.2.2 Constitution of District Planning Committees

Section 3 of The Telangana District Planning Committees Act, 2005¹¹ mandates that a District Planning Committee (DPC) be constituted at district level. The DPC has to consolidate the plans prepared by the Panchayats in the district and to prepare a Draft Development Plan (DDP) for the district as a whole.

The District Planning Committee was constituted in 10¹² out of 32 districts (excluding Hyderabad). The status of submission of plans by the GPs in the ten districts to the respective DPCs are given in **Table-2.1**.

Table-2.1: Status of submission of plans by the Gram Panchayats

Sl. No.	Name of the District	Month and Year of constitution of DPC	No of GPs in the District	No of GPs which forwarded Development Plans to DPC
1.	Bhadradi-Kothagudem	May 2021	480	0
2.	Hanumakonda	April 2021	208	0
3.	Khammam	April 2021	589	589
4.	Mancherial	February 2021	310	0
5.	Mulugu	July 2021	174	0
6.	Nagarkurnool	April 2021	461	461
7.	Rangareddy	June 2021	558	558
8.	Siddipet	April 2021	499	0
9.	Wanaparthy	July 2019	255	255
10.	Warangal (Rural)	April 2021	401	401

Source: Information furnished by the Director, PR&RE and Administrative & Geographical Profile

2.1.3 Sources of funds

Resource base of PRIs consists of

- i. Own revenue generated by collection of tax¹³
- ii. Non-tax¹⁴ revenues
- iii. Devolution at the instance of State and Central Finance Commissions, Central and State Government grants for maintenance and development purposes
- iv. Other receipts¹⁵

¹¹ The Andhra Pradesh District Planning Committees Act, 2005 received the assent of the Governor on the 15th November, 2005. The said Act in force in the combined State, as on 02 June 2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) vide the Telangana Adaptation of Laws Order, 2016, issued in G.O.Ms.No.45, Law (F) Department, dated 01 June 2016

¹² Bhadradi-Kothagudem, Hanumakonda, Khammam, Mancherial, Mulugu, Nagarkurnool, Rangareddy, Siddipet, Wanaparthy and Warangal (Rural)

¹³ Property tax, advertisement fee, etc.

¹⁴ Water tax, rents from markets, shops and other properties, auction proceeds etc.

¹⁵ Donations, interest on deposits etc.

Summary of receipts of PRIs for the years 2017-18 to 2021-22 is given in **Table-2.2**.

Table-2.2: Summary of receipts of PRIs for the years 2017-18 to 2021-22

(₹ in crore)						
Sl. No.	Receipts	2017-18	2018-19	2019-20	2020-21	2021-22
1	Own Revenue	21.64	25.30	29.18	31.79	27.43
2	Assigned Revenue ¹⁶	128.57	153.41	180.58	33.13	20.91
3	State Government Grants including Finance Commission grants	99.57	121.51	879.91	1,991.42	2,047.02
4	GoI Grants including Finance Commission grants	959.99	1,091.17	1,607.67	2,264.83	1,805.22
5	Other Receipts	61.89	73.94	74.76	105.23	444.30
Total		1,271.66	1,465.33	2,772.10	4,426.40	4,344.88

Source: Director, Panchayat Raj and Rural Employment

It could be seen from **Table-2.2** that there was reduction in collection of assigned revenue in the years 2020-21 and 2021-22 when compared to 2019-20. This was due to non-transfer of surcharge on Stamp Duty by Registration and Stamps Department, as the transfer of amounts was kept in abeyance in compliance with Treasuries & Accounts Department's instructions (January 2020¹⁷). However, reduction in Assigned revenue was compensated by increase in Grants from GoI and State Government during the years 2020-21 and 2021-22.

2.1.3.1 Financial Assistance to Panchayati Raj Institutions

The quantum of financial assistance provided by the State Government to PRIs by way of grants or loans for the years 2017-18 to 2021-22 is given in **Table-2.3**.

Table-2.3: Quantum of financial assistance provided by the State Government to PRIs by way of grants or loans for the years 2017-18 to 2021-22

(₹ in crore)					
Details	2017-18	2018-19	2019-20	2020-21	2021-22
Budget	723.12	677.07	973.91	1,413.00	1,913.39
Actual Release	694.33	1,655.13	769.06	1,690.55	2,177.77
Expenditure	995.60	806.29	1,200.75	1,547.38	1,446.26

Source: Director, Panchayat Raj and Rural Employment

It could be seen from **Table-2.3** that the actual releases were more than budget for the years 2018-19, 2020-21, 2021-22 and the expenditure was more than actual releases for the years 2017-18 and 2019-20. Though clarification on this was called for (August 2023) from the Office of the Commissioner, PR&RE, a reply is still awaited as of March 2024.

¹⁶ Seigniorage fee and surcharge on stamp duty collected by Departments of Mines and Geology and Stamps and Registration are apportioned to Local Bodies in the form of assigned revenue

¹⁷ Letter No. F4/827/2016, dated 08 January 2020 addressed to Finance Department by Director of Treasuries and Accounts, Telangana

2.1.3.2 Application of funds

Summary of expenditure incurred by PRIs for the years 2017-18 to 2021-22 is given in **Table-2.4**.

Table-2.4: Summary of Revenue and Capital expenditure for the years 2017-18 to 2021-22

(₹ in crore)						
Sl. No.	Type of expenditure	2017-18	2018-19	2019-20	2020-21	2021-22
1	Revenue expenditure	307.39	227.68	304.80	301.08	306.72
2	Capital expenditure	284.92	285.99	388.38	378.81	253.76
Total		592.31	513.67	693.18	679.89	560.48

Source: Director, Panchayat Raj and Rural Employment

2.1.4 Recommendations of the State Finance Commission

As per Article 243-I of the Constitution and Section 244 of TPR Act, 2018, the State Finance Commission (SFC) has to be constituted once in five years to recommend devolution of funds from the State Government to Local bodies. Government of Telangana issued orders for constitution of the first SFC in March 2015¹⁸. However, Chairman and Members of the first SFC were appointed¹⁹ in January 2018 *i.e.*, after two years of constitution of the first SFC.

The First SFC submitted its report to the State Government in October 2020 and the recommendations are yet to be accepted by the Government (March 2023). During 2021-22, the State Government released ₹ 1,658.72 crore to PRIs and the entire amount was spent as of March 2022.

The term of the First SFC has been completed by March 2020 and the Second SFC was not constituted as of March 2023.

2.1.5 Recommendations of Central Finance Commissions

2.1.5.1 Fourteenth Finance Commission

The Fourteenth Finance Commission recommended assured transfer of funds to the local bodies for planning and delivering basic services²⁰. Grants are released under two components, *i.e.*, Basic grant and Performance grant in the ratio of 90:10.

The Director, Panchayat Raj & Rural Employment informed (January 2023) that Government of India released ₹3,570.63 crore during 2017-20 to the State and the entire amount was released to PRIs. The expenditure details for the releases were not furnished to Audit as of March 2024.

¹⁸ G.O.Ms.No.31 PR&RD (Pts.III) Department dated 16 March 2015

¹⁹ G.O.No.1 PR&RD (Pts.III) Department dated 03 January 2018

²⁰ including water supply, sanitation including septic management, sewage and solid waste management, storm water drainage, maintenance of community assets, maintenance of roads, footpaths, street lighting, burial and cremation grounds

2.1.5.2 Fifteenth Finance Commission

The Fifteenth Finance Commission (2021-2026) recommended that out of the total grant earmarked for PRIs, 60 *per cent* be earmarked (**Tied grants**) for national priorities, *viz.*, drinking water supply, rainwater harvesting and sanitation. The remaining 40 *per cent* of the grants (refer to as **Untied or Basic grants**) could be utilised by the PRIs under the 29 subjects enshrined in the Eleventh Schedule to the Constitution, except for salaries & other establishment costs. However, the expenditure required for auditing of accounts by the State Government approved external agencies may be borne from this grant.

During 2021-22, against the allocated total grants of ₹1,365 crore, the GoI released ₹ 682.50 crore as 1st instalment of grants to the State which was released to the PRIs. In addition, the State Government released ₹ 682.50 crore to the PRIs as 2nd instalment in anticipation of releases from GoI. However, against expenditure of ₹1,305.92 crore, Utilisation Certificate (UC) was given for ₹1,365 crore.

Besides this, an amount of ₹134.24 crore was released by GoI to the State Government in 2021-22 under Health Sector grants for PRIs, which was not spent as of March 2022.

2.1.6 Audit mandate

2.1.6.1 Primary Auditor

The Director, State Audit (DSA), functioning under the administrative control of Finance Department, is the statutory auditor for PRIs under the Telangana State Audit Act, 1989²¹. The DSA has two Regional Offices and thirty-three district offices in the State. As per Section 10 of the Act, the DSA is empowered to initiate surcharge proceedings against the persons responsible for causing loss to the funds of local authorities. Such amounts are to be recovered by the executive authority concerned under Revenue Recovery (RR) Act.

(A) Preparation of Annual Consolidated Audit and Review Report

Section 11(2) of the Act mandates that the DSA shall prepare an annual Consolidated Audit and Review Report (CARR) for presentation to the State Legislature.

The Director, State Audit informed (December 2022) that audit of accounts of all the PRIs for the years up to 2020-21 were completed. The CARR for the years 2017-18 and 2018-19 were submitted (March 2022) to the State Government and were placed in the State Legislature on 15 February 2024. The CARR for the years 2019-20 and 2020-21 are yet to be submitted to the State Government. It was also informed that regarding CARR for 2021-22, the PRIs audit was completed and after completion of audit of ULBs, the CARR for 2021-22 would be prepared.

²¹ The Andhra Pradesh State Audit Act, 1989 received the assent of the Governor on the 19 April, 1989. The said Act in force in the combined State, as on 02 June 2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) in accordance with The Telangana Adaptation of Laws Order, issued in GO.Ms.No.45, Law(F) Department dated 01 June 2016

(B) Levy and recovery of surcharge

As per Section 10 of the Act, DSA is empowered to initiate surcharge proceedings against the persons responsible for causing loss to the funds of local authorities. Such amounts are to be recovered by the executive authority concerned under the Revenue Recovery (RR) Act.

The Director, State Audit informed (December 2022) that during 2021-22, 49 Surcharge Certificates for ₹0.45 crore was issued to the GPs, out of which ₹0.02 crore in respect of eight cases were recovered, leaving 41 cases for an amount of ₹0.43 crore pending recovery as of March 2022.

Further, 56 Surcharge Certificates²² for ₹0.72 crore pertaining to years prior to 2021-22 were pending for recovery as of March 2022.

2.1.6.2 Audit by Comptroller and Auditor General of India

Based on the recommendations of the Eleventh Finance Commission, State Government entrusted (August 2004) CAG with the responsibility of providing Technical Guidance and Supervision (TGS) in connection with the accounts and audit of Local Bodies under Section 20(1) of CAG's (DPC) Act.

Based on a test-check of PRIs, a TGS Note is prepared at the end of each financial year and forwarded to the DSA for improving the quality of their reports. TGS note for the year 2021-22 was issued in August 2023.

Planning and conduct of audit

The Audit process commences with assessment of risk²³, based on expenditure incurred, criticality/complexity of activities, priority accorded for the activity by Government, level of delegated financial powers, assessment of internal controls and concerns of stakeholders.

Previous audit findings are also considered in this exercise. Based on this risk assessment, frequency and extent of audit is decided and an Annual Audit Plan formulated. During 2021-22, 34 PRIs (4 ZPPs, 6 MPPs and 24 GPs), falling under the Department of Panchayat Raj and Rural Development, were covered in audit.

2.1.7 Response to Audit Observations

After completion of audit, Inspection Reports (IRs) containing audit findings are issued to the head of the unit concerned. Heads of offices and next higher authorities are required to respond to observations contained in IRs within one month and take appropriate corrective action. Audit observations communicated in IRs are also discussed in meetings at district level by officers of the PR&RD Department with officers of Accountant General's office.

As of August 2023, 258 IRs containing 2,886 paragraphs from 2014-15 to the period up to 2021-22 were pending settlement, as given in **Table-2.5**. Of these, initial replies had not been received in respect of 16 IRs and 232 paragraphs.

²² MPP: 2 cases (₹11,533) and GPs: 54 cases (₹72,07,496)

²³ of department/local body/scheme/programme etc.

Table-2.5: Inspection Reports and Paragraphs issued for the years 2017-18 to 2021-22 and pending settlement

Year	Number of IRs /Paragraphs		IRs/Paragraphs where even initial replies have not been received	
	IRs	Paragraphs	IRs	Paragraphs
Upto 2017-18	114	1,441	6	90
2018-19	58	480	3	44
2019-20	52	498	3	40
2020-21	10	127	1	15
2021-22	24	340	3	43
Total	258	2,886	16	232

Lack of action on IRs was fraught with the risk of serious financial irregularities pointed out in these reports remaining unaddressed.

The Audit Reports on Local Bodies have been presented to the State Legislature since March 2008. Total seven Audit Reports (2005-06 to 2013-14 for erstwhile State of Andhra Pradesh excluding 2010-11 to 2011-12) were presented in the State Legislature of Andhra Pradesh.

The Audit Reports for the years 2014-15, 2015-16 and 2016-17 pertaining to the Government of Telangana were presented in the State Legislature and tabled on 30 March 2016, 27 March 2017 and 29 March 2018 respectively.

However, Explanatory notes were not received to any of the paragraphs and reviews included in the above Audit Reports and these Audit Reports were not taken up for discussion since 2008.

2.2 Accountability framework and Financial Reporting issues

2.2.1 Accounting framework

2.2.1.1 Ombudsman

The Thirteenth Finance Commission had recommended establishment of an independent Local Body Ombudsman system. The Director, PR&RE stated (January 2023) that the Ombudsman system was not adopted in Telangana. However, the State Government adapted the Andhra Pradesh Lokayukta Act, 1983 (A.P. Act 11 of 1983) along with other Acts and Rules²⁴ to take up complaints against the functionaries and elected representatives of PRIs.

The Director, Panchayat Raj & Rural Employment informed (January 2023) that a report was submitted to Lokayukta in respect of four cases registered during 2021-22 and these cases were pending for disposal as of January 2023.

²⁴ The Telangana Adaptation of Laws Order, issued in GO.Ms.No.45, Law(F) Department dated 01 June 2016

2.2.1.2 Social Audit

Social Audit involves verification of implementation of programme/scheme and delivery of its envisaged results by the community with active involvement of primary stakeholders. In May 2009, the erstwhile State Government in the composite State of Andhra Pradesh created an independent autonomous body called the Society for Social Audit, Accountability and Transparency (SSAAT). Post-bifurcation of the composite State of Andhra Pradesh into Telangana and Andhra Pradesh with effect from 02 June 2014, the existing Society was retained with Telangana State.

Society for Social Audit, Accountability and Transparency was set up by the Department of Rural Development, Government of Telangana to conduct social audits of flagship programme Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

Society for Social Audit, Accountability and Transparency will primarily work in the areas of:

- Working towards strengthening and deepening the social audit process
- Enabling and supporting the Gram Sabha in conducting Social Audits of programmes benefitting the poor people
- Working with and strengthening the administrative machinery and ensuring it continues to be responsive to the Social Audit process and accountable for its activities

The specific objectives of the SSAAT are:

- a. To create an enabling environment for the conduct of impartial and objective social audits in Telangana.
- b. To ensure that the social audit process remains autonomous from mainstream government administration as well as the implementing agency at all times.
- c. To be responsible for social audits of the MGNREGA and other Government programme/schemes benefitting the poor in Telangana.
- d. To build grassroots capacity (both civil society and citizens) to conduct social audits for Government programmes.

During 2021-22, out of 12,769 GPs, SSAAT planned for conduct of Social Audits in 3,904 GPs and conducted audit in 3,739 GPs in respect of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

Society for Social Audit, Accountability and Transparency attributed (January 2023) the shortfall in coverage in audit of GPs due to outbreak of Covid-19 Pandemic, shortage in allocation and release of funds to Social Audit Units.

The Director, Society for Social Audit, Accountability and Transparency informed (December 2023) that during the year 2021-22, SSAAT found deviations and misappropriations amounting to ₹22.01 crore, of which ₹21.99 crore were accepted (99 *per cent* of total deviations) by the Presiding Officers²⁵ concerned. Final orders for

²⁵ District Programme Officer nominates a senior officer not less than the rank of the Additional District Programme Coordinator for presiding over the public hearing

recovery were issued in respect of deviations/ misappropriations of ₹ 1.80 crore including penalty amount of ₹0.18 crore and the entire the amount was recovered.

2.2.2 Submission of Utilisation Certificates

Scheme guidelines of Centrally Sponsored Schemes (CSS) and Central Finance Commissions (CFCs) stipulate that Utilisation Certificates should be obtained by departmental officers from the grantees and after verification should be forwarded to GoI.

During 2021-22, State Government forwarded UCs to GoI for the total releases of ₹ 1,365 crore in respect of Fifteenth Finance Commission grants while UCs are pending for submission for an amount of ₹ 134.24 crore which was released to Rural Local Bodies under Health Sector. Besides, UCs for grants related Fourteenth Finance Commission for ₹ 3.96 crore were also pending to be submitted by eight test-checked GPs²⁶.

2.2.3 Internal Audit and Internal Control System of Panchayati Raj Institutions

The Panchayat Raj Officers delegation of Powers Rules, 2000 mandates that the Commissioner shall inspect all ZPPs once in a year and submit copies of inspection notes for review by the Government. The Director, PR&RE informed (January 2023) that during 2021-22, 10 inspections were conducted in 4²⁷ out of 32 districts.

As per Section 51(3)(b) of TPR Act, 2018 the Government or Commissioner or District Collector may appoint District Panchayat Officer, Divisional Panchayat Officer and Extension Officers (PR&RD) necessary for the purpose of inspecting and superintending the operations of all or any of the GPs.

The year-wise status on inspections carried out by various authorities during 2017-18 to 2021-22 called for was not furnished to Audit as of March 2024.

2.2.4 Maintenance of Records

Para 2.5.3 and 4.10.1 of Manual of Instructions for Audit of Panchayati Raj Institutions of C&AG of India stipulates maintenance of records viz., Cash book, Asset Register, Stock Register, etc.

Test-check of records of 34 PRIs during 2021-22 showed that Cash book was not properly maintained²⁸ in nine²⁹ PRIs (27 per cent). In five³⁰ PRIs (15 per cent) stores and stock registers were not maintained.

2.2.4.1 Physical verification of stores and stock

Article 143 of Telangana State Financial Code stipulates that all stores and stock should be verified physically once a year and a certificate to this effect be recorded by the Head of the Office in the Register concerned. Test-check of records of 34 PRIs during 2021-22

²⁶ Ameerpet, Batasingaram, Fasalwadi, Gaddapotharam, Ismail Khanpet, Khazipally, Tharamatipet and Thummaloor

²⁷ Adilabad (3 inspections), Bhadradi-Kothagudem (3 inspections), Jangoan (2 inspections) and Narayanpet (2 inspections)

²⁸ Cash Book not produced to Audit and reconciliation/attestations were not done by Drawing and Disbursing Officer etc.

²⁹ MPP: Khammam (Rural); GPs: Ameerpet, Anajpur, Gaddapotharam, Ismailkhanpet, Khazipalle, Madharam, Maheswaram and Tharamathipet

³⁰ MPP: Sangareddy; GPs: Batasingaram, Gaddapotharam, Ismailkhanpet and Khazipalle

revealed that annual physical verification of stores and stock was not conducted in respect of three PRIs³¹ (9 per cent).

2.2.4.2 Non-reconciliation of departmental figures with treasury

Paragraph 19.6 of Telangana Budget Manual, stipulates that the DDOs are required to reconcile departmental receipts and expenditure with those booked in treasury every month to avoid any misclassification and fraudulent drawals. Reconciliation in respect of six PRIs³² test-checked was pending as of March 2022.

2.2.4.3 Cases of misappropriation

Telangana State Financial Code stipulates responsibilities of Government servants in dealing with Government money, the procedure for fixing responsibility and recovery for any loss. State Government had ordered (February 2004) the departmental Secretaries to review cases of misappropriations on a monthly basis. The Chief Secretary to Government was to review these cases once in six months with all the Secretaries concerned. Misappropriation cases noticed by the Director, State Audit which were pending from 2014-15 for disposal as of March 2022 are given in **Table-2.6**.

Table-2.6: Details of misappropriation cases pending

(₹ in crore)

Unit	Up to 2021-22	
	No. of cases	Amount
Zilla Praja Parishads	19	0.09
Mandal Praja Parishads	91	0.72
Gram Panchayats	4,180	34.56
Total	4,290	35.37

Source: Director, State Audit

The State Government may take urgent action to investigate these issues and recover the losses from the persons responsible for it. Internal controls should also be strengthened to prevent such incidents.

2.2.5 Maintenance of Accounts by Panchayati Raj Institutions

The Panchayati Raj Institutions maintain accounts on cash basis. A Model Accounting System was prescribed by GoI in consultation with the Comptroller and Auditor General of India. State Government issued orders (September 2010) for adopting this format using PRIASoft³³ developed by National Informatics Centre (NIC).

The Director, Panchayat Raj & Rural Employment informed (January 2023) that online accounting software (PRIASoft) was implemented in all the PRIs.

The Status on Certification of Accounts in PRIs for the years 2017-18 to 2021-22 is given in **Table-2.7**.

³¹ ZPPs: Kamareddy; and MPPs: Jinnaram and Khammam (Rural)

³² GPs: Batasingaram, Fasalwadi, Gaddapotharam, Ismailkhanpet, Khazipalle and Madharam

³³ Panchayati Raj Institutions Accounting Software

Table-2.7: Status on Certification of Accounts in PRIs for the years 2017-18 to 2021-22

Name of the PRI	Number of Units	Certification of Accounts completed				
		2017-18	2018-19	2019-20	2020-21	2021-22
ZPP	32	11	11	31	31	29
MPP	539	385	385	460	459	435
GP	12,769	9,360	12,209	12,761	12,769	12,701

Source: Information furnished by Director, PR&RE

2.2.6 Issues related to Abstract Contingent/ Detailed Contingent Bills

As per Government orders³⁴, an amount drawn on Abstract Contingent (AC) bills should be adjusted by submitting Detailed Contingent (DC) bill for the expenditure incurred, to the Accountant General (Accounts & Entitlements) with supporting vouchers within one month of drawal of such amount.

The Director, Panchayat Raj & Rural Employment informed (January 2023) that an amount of ₹ 26.95 crore was drawn on AC bills during 2019 to 2021 by five ZPPs in the State for which DC bills were pending for ₹ 24.63 crore as of March 2022.

2.2.7 Maintenance of database and the formats therein on the finances of Panchayati Raj Institutions

Government of India had released ₹ 648.27 crore during 2021-22 to State Government for creation of database on finances of PRIs under Fifteenth Finance Commission. Of this, the State Government transferred ₹ 644.41 crore during 2021-22 to Commissioner, Panchayat Raj, Telangana.

The Director, Panchayat Raj & Rural Employment stated (January 2023) that an amount of ₹ 166.11 crore was incurred towards creation of database on finances.

³⁴ GO Ms. No.285 Finance (TFR-II) Department dated 15 October 2005, Telangana Treasury Code, Rule 16, sub rule 18 (d) and GO Ms. Nos. 391 and 507 of April/May 2002 of Finance Department