

Government of India
Indian Audit and Accounts Department
Principal Accountant General (Audit)
Himachal Pradesh, Shimla-171003



भारत सरकार
भारतीय लेखा तथा लेखा परीक्षा विभाग
प्रधान महालेखाकार, (लेखा परीक्षा)
हिमाचल प्रदेश, शिमला-171003

No. Co-ordn. (A)/AAP/2022-23/1647

Date:- 26.12.2022

To

Principal Director (NR-I & SRS),
Office of the Comptroller & Auditor General of India,
Pocket-9, Deen Dayal Upadhyay Marg,
New Delhi-110124.

Subject: - Annual Audit Plan 2023-24 (Himachal Pradesh)

Madam,

Please refer to HQ's letter No. NR-Coord/Audit Plan 22-23/2021-102 dated 15th November 2022 on the subject cited above and find enclosed information on Audit Plan 2023-24 in the prescribed tables (excel format) as **Annexure 'A'** for further necessary action at your end.

Replies to the points mentioned in letter under reference are as follows: -

1. A brief write-up on availability of resources, risk methodology followed by this office, achievement during preceding year is enclosed as **Annexure 'B'**.
2. To assess risk area of departments / units into High, Medium and Low, risk assessment model taking into consideration the component of expenditure incurred by the departments during the financial year 2021-22 obtained from VLC section of the Office of the Principal Accountant General (A&E), H.P., Shimla was examined with reference to total figures of expenditure, SOE-wise expenditure, expenditure during last quarter of financial year, expenditure incurred against Grants-in-Aid, expenditure booked by DDOs, expenditure incurred under Charged and Voted, etc. Certain other parameters were also applied in order to finalise departments / units such as past audit findings, internal control, social relevance, media coverage, etc. During current Annual Audit Plan 2022-23, this office is conducting IT Audit of IFMS in which data analytics is being used extensively and which would be featured as a Standalone Report. For Audit Plan 2023-24, this office is proposing PA on Pradhan Mantri Aawas Yojana (Gramin) using data analytics which would feature as a Standalone Report for the State. In this regard, CDMA has been contacted to provide data. In addition, this office is proposing SSCA on Analysis of Utilisation Certificates (UCs) in which data analytics using data available in VLC of the office of the Principal Accountant General (A&E), Himachal Pradesh, Shimla would be undertaken.

Previously, list of CAs and PAs conducted in the past five years where data analytics were extensively used are as follows: -

- PA on Direct Benefit Transfer on Social, Security Pension Schemes (Audit Report 2020-21);
- All India PA on Pre-matric and Post-matric Scholarship Schemes and National Social Assistance Programme (NSAP) (Audit Report 2020-21);
- All India PA on Ayushman Bharat (Audit Report 2020-21);
- All India PA on National Pension System (Union Audit Report 2017-18)

3. The following rolled over / deferred PAs / SSCAs of previous year are also proposed to be included in Audit Plan 2023-24: -

- PA on Public Health Infrastructure Management System (PHIMS) (Rolled Over)
- Updation of PA on Solid Waste Management (Rolled Over)
- PA on Himachal Pradesh Building and Other Construction Workers Welfare Cess (Rolled Over)
- PA on IFMS Audit (Rolled Over)
- SSCA on Regulation of Mines and Minerals (Deferred) - now proposed as PA

4. Instructions contained in Compliance Auditing Guidelines for defining risk profiling of Apex Auditable Entities and Audit Units have been taken into consideration in devising the risk assessment methodology by this office. Parameters adopted for categorisation of departments / units are enclosed herewith for information and reference as **Annexure 'C'**.

5. Since IFMS Audit is already in process, topic on e-Procurement is proposed as Performance Audit as per HQ's guidelines vide letter dated 11th November 2022 on the matter. Due to constraints in manpower possessing technical knowhow and expertise in IT Audit, this office is proposing only the above-mentioned topic for IT Audit for Audit Plan 2023-24. Based on local risk assessment, this office will examine feasibility of conducting IS Audits related to environment audits in future.

6. In Audit Plan 2023-24, a provision of 10 *per cent* has been made to accommodate any All-India topics that may be communicated. In case of non-receipt of All India PA from HQs, mandays will be utilised against identified additional compliance audit units.

7. As directed, allocation of 23 *per cent* mandays has been made for Performance Audits, 11 *per cent* mandays to Financial Audits and remaining to Compliance Audits.

8. The directions issued by the CAG while approving previous Annual Audit Plans are being complied with as below: -

a. This office will attempt to submit Audit Report material in a staggered manner, so that various Audit Reports can be laid in the Vidhan Sabha periodically.

- b. This office has proposed *eight* Performance Audits (PAs) (including four roll over PAs) in Audit Plan 2023-24, which would feature as Standalone Reports. Justifications for these PAs are enclosed in **Annexure ‘D’**. In addition, *eight* State Specific Compliance Audits (SSCAs) in Audit Plan 2023-24 are also being proposed, which would feature in Compliance Audit Report on Social, General, Economic and Revenue Sectors. Justifications for these SSCAs are enclosed as **Annexure ‘E’**.
9. DAI’s instructions contained in D.O. letter No. 259/PPG/18-2015 dated 14th September 2015, Guidance Note issued by PPG Wing vide No. 402-PPG/11-2013 dated 5th October, 2016 and e-mail No. 446 NR Coord/Audit Plan 22-23/2021-102 dated 6th December 2022 have been taken into consideration while formulating Annual Audit Plan 2023-24.

This issues with the prior approval of Pr. Accountant General.

Yours faithfully,

Encls:- As above.

Dy. Accountant General (Admn.)