

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I)
MADHYA PRADESH, GWALIOR**

No. SMU/F-01/2025-26/OO-09.

Dated: 05 May 2025

OFFICE ORDER

Sub: Guidance note for Entry Conference with the Additional Chief Secretary (ACS).

1.0 Entry Conference with ACS should include the following amongst others:

1.1 Informing of Top-Down Department Centric Activity Based Audit for 2025-26

1.2 Informing Selection of the Departments

1.3 Details about the understanding in respect of Department in form of:

1.3.1 Activities performed by the Department

1.3.2 Audit Universe listing Units separately under Section 13, 14, 15, 16, 19 and 20 of the CAG's (Duties, Power and Conditions of Service), Act, 1971.

1.3.3 The IT Applications relevant to the execution of the activities by the Department as understood by the concerned Audit formation.

1.3.4 About Audit Process comprising of (a) Financial Attest Audit supported by Central Audit of Vouchers/ Challans/ Sanctions/ Contracts as may be applicable and available at the offices of Accountants General (Audit) and Accountant General (Accounts and Entitlement) ; (b) Compliance Audit involving Audit of Departments and its sub-ordinate Units include State PSUs, Autonomous Bodies and entities substantially financed by Central and State Government. The audit of process of Sanction of grants and loans under Section 15 of DPC Act, 1971 is an important component is also to be communicated.

1.3.5 The audit of PSUs also includes audit of PSUs controlled by the Central/ State Government in addition to that owned by the Government under provisions of the applicable Companies Act.

1.3.6 The aspect of Subject Specific Compliance Audits (SSCAs) as applicable to 2025-26. The status of ongoing assignments in terms of the status of Report and Exit Conference is also to be communicated.

1.3.7 The aspect of Performance Audit on similar lines as for the SSCAs.

1.4 Detailed process of Reporting in respect of Central Audit and Financial Attest Audit in terms of Audit Notes.

- 1.5 Detailed process of Compliance Audit from planning stage involving Domain Understanding, Feasibility study, Pilot study, Planning for individual Audit and Audit Reporting. Detailed process for conduct of Audit during implementation stage from issue of intimation letter to conduct of exit conference (suggested activities detailed in **Annexure-I**). Thereafter detailed Audit Products viz. Inspection Report, Supplementary Inspection Report, Departmental Appreciation Note, Statement of Facts, Draft Paragraphs and Audit Paragraphs.
- 1.6 Constitution of Audit Committees and purpose thereof including status of present Audit Committee and last meeting.
- 1.6.1 Provide list of pending Inspection Reports, Inspection Report Paragraphs, Statement of Facts, Draft Paragraphs, Audit Notes.
- 2.0 Describe change in Audit Process from Unit Based Transaction Audit to Top-Down Department Centric Activity Based Audit and what it involves.
- 3.0 Describe the activities selected, the Units selected and tentative Audit Programme for 2025-26 as well as Subject Specific Compliance Audit including any previous assignment for the Department so far.
- 4.0 Request for: -
- a) Nodal officer at the level of the Department i.e. at the level of ACS.
 - b) Updating of Audit Universe.
 - c) Updating list of IT applications and activities performed by them.
 - d) Read-only access to IT applications
 - e) Numbering of Sanctions and endorsement to Office of PAG (Audit-I) M.P. Gwalior.
 - f) Tentative dates for Audit Committee meetings.
 - g) Allocation of Business Rules.
 - h) Schedule of delegation of powers and responsibilities.
 - i) Details of various committees where concerned ACS heads the committee/Board of Management in any form or is member of such a committee/Board of Management.
- 5.0 Regulations on Audit and Accounts 2020 under Section 23 of DPC Act and its applicability to both Audited and Audit Officials to be elaborated.
- 6.0 Access to Records under Section 18 and corresponding provisions of Regulations on Audit and Accounts 2020 to be elaborated.
- 6.1 The issue of non-availability or delayed availability of records being persistent issue to be highlighted.

6.2 Proposed to tackle with the issue in this assignment in view of the Advance information about activities being audited and units being audited in advance and limiting scope of Audit to selected activities

6.2.1 The officials to be deputed to the Office of Pr. A.G.(Audit-I) M.P., Gwalior with records within 15 days where records remain to be provided subsequent to the date of conclusion of Audit. In case of continued non-submission, the Office of PAG may have to take the following actions independently or in conjunction:

(a) Failure to provide data, information and documents (Section 21 of the Regulations on Audit and Accounts, 2020)

(b) Replies to audit queries and audit observations (Section 134 of the Regulations, 2020)

(c) Requirement of and access to data, information and documents (Section 155 of the Regulations, 2020)

(d) Attestation of data, information and documents forming evidence (section 158 of the Regulations, 2020)

(e) Invoking provisions of the Bharatiya Nyaya Sanhita, 2023 (Sections 210-212) in case of continued and pervasive status of non-submission of records, information and replies.

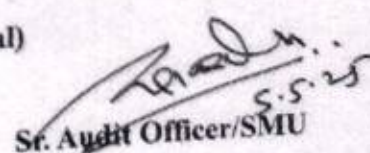
7.0 Access to IT Application if constrained would also require a similar course of action as given in Paragraph 6.2.1 above.

8.0 Availability of Sanctions if constrained would also require a similar course of action as given in Paragraph 6.2.1 above.

9.0 Any other area we wish to bring to notice of ACS.

10.0 The Entry Conference would be done by the concerned DAG unless otherwise permitted by PAG.

(This issues with the approval of the Pr. Accountant General)

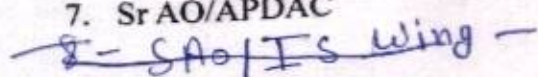

Sr. Audit Officer/SMU

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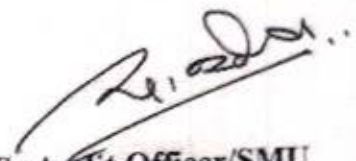
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Copy for information and necessary action to: -

1. Secy to PAG
2. DAG/Admn & AMG-V
3. DAG/AMG-I, AMG-II, AMG-III, AMG-IV
4. Sr AO/Report-I/Report-II
5. Sr AO (Vetting)/ all AMGs
6. Sr AO (Report)/all AMGs
7. Sr AO/APDAC

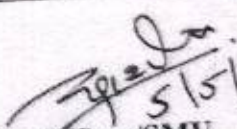

Sr. AO/IS Wing -

8. SAO/IS Wing for uploading on internet/intranet
9. Shri Naresh Ahuja, AAO to ensure uploading on internet/intranet
10. All SAOs/AAOs
11. All Sections.
12. Guard File


Sr Audit Officer/SMU

Annexure-I

SL No.	Schedule of activities
1	Entry Conferences at Apex level
1a	Conduct of Entry Conference at Apex level
1b	Minutes of Entry Conference
2	Audit Engagement preparation and issue
3	Audit Programme
3a	Audit Intimation
4	Preliminary Audit requisition
5	Entry Conference at Auditable unit level
5a	Conduct of Entry conference at Auditable unit level
5b	Minutes of Entry conference at Auditable unit level
6	Audit Execution
6a	Audit requisition to be issued by SAO/AAO as per work distribution.
6b	Audit query to be issued by SAO/AAO
6c	Audit observation to be issued by SAO/AAO
7	Exit Conference at Auditable unit level
7a	Conduct of Exit conference at auditable unit level
7b	Minutes of Exit conference at auditable unit level
8	Issue of IR
9	Statement of facts
10	Departmental Appreciation Note
11	Para for Compliance Audit Report
12	Conduct of Exit Conference at ACS/PS level
12a	Pursuance of Conduct of Exit Conference at ACS/PS level


5/5/25
Sr. Audit Officer/SMU