Office of the Principal Accountant General (Audit-I)
Madhya Pradesh, Gwalior

Office Order

No./SMU/2025-26/F-61/O.O-106 Date31.10.2025

Sub: - Important Discussions and Key Decisions of Senior Management Meeting 30 September 2025

Ref: - HQ's email dated 10.10.2025 regarding Senior Management Meeting Minutes 30 September 2025.

1.0 With reference to the subject cited above and the HQ's email dated 10.10.2025 regarding Senior Management Meeting held on 30 September 2025 in O/o C&AG of India, the discussions were carried out along with demonstration with presentations on –

1. International Best Practices which includes Audit interventions and approaches, key findings/impact, changes and improvement etc. by US, UK, Canada etc.
2. Status of Implementation of IFMS and Way forward.
3. Key actions and initiatives regarding Audit in Eastern Region and DGA(CR) New Delhi.
4. Ease of Doing Business in MSME Sector (Planned as Horizontal PA during 2025-26).
5. Review of audited Financial Statements & Quality of Certification of Accounts of ULBs.
6. Review of Inspection Reports.
7. Working papers with key gaps in PAs/CAs and proposed solutions.
8. Audit Finding Matrices (AFMs) to be invariably prepared for PAs/SSCAs/ TDDCAs.

2.0

- ❖ Agenda 1 of IFMS management letter includes discussion on cases of fraud detected, good practices noticed by audit and various audit recommendations for succinctly bringing out key issues and for quality of drafting,
- ❖ Key decision points on this agenda include one-page summary to be prepared along with covering letter regarding IFMS to be sent to Government. **(Action to be taken by FAAS/APDAC.)**

- Key issues highlighted on IFMS at the Finance Secretary Conference (held on 19 September 2025) to be additionally included in the covering letter. **(Action to be taken by FAAS/APDAC.)**

3.0 Agenda 2 include the following areas highlighted: -

- Initiatives to be taken for Stakeholder/domain experts/civil society/ environmentalists' engagements in audits **(Action to be taken by AMGs/APDAC.)**
- Use of Satellite imagery data in respect of those Performance Audits (PAs) where imagery data of remote areas are required for verification. In this regard Field Audit Offices can consult with Bhaskaracharya National Institute for Space Applications and Geo-informatics **(BISAG-N)** or similar institutes or organisations in India for that purpose. **(AMGs to follow these directions when assigned in such PAs as per Annual Audit Plans.)**
- Remote audit (remote certification) of Gram Panchayats using online certification module. This work is in progress as per roadmap. Certain bottlenecks have been identified and are being removed through two consultants (for Finance and Technical aspects) provided by Panchayati Raj and Rural Development Department (PRDD). **(Action plan: - The work is to be done by TGS team/AMG-I.)**
- State Audit Advisory Board (SAAB) already exists, and the meetings of the board are being conducted as prescribed. **(Action plan: - APDAC for arrangement of SAAB meetings as per Stakeholder Engagement Framework/Plan.)**
- Data Analytics Cell has been already functioning. Audit Impact Cell has been formed in June 2025 as per Hqrs' directions.
- SSCA on **"Compliance to statutory provisions in respect of engagement of contractual employees/labour"** is being conducted in Hybrid manner as selected for Hybrid Audit for Annual Audit Plan 2025-26. **(Action Plan: - AMG-III and the SSCA team members to comply the Annual Audit Plan.)**
- Beneficiary surveys to be conducted during November-December 2025 in prescribed manner as planned for Data Driven Beneficiary Scheme Audit (DDBSA) of seven selected schemes. **(Action to be taken by DDBSA Team members as per Hqrs' directions.)**
- Discussions/consultations with the PAC/COPU are to be carried out. **(Action to be taken by Report/PAC.)**

- ❖ Certifications of pending accounts of Autonomous Bodies are to be carried out. **(Action to be taken by AMG-IV, Quality control cell.)**
- ❖ Guidelines to be followed as and when received from SMU/Hqrs.

4.0 Agenda 3 includes focus on Audit of Ease of Doing Business in MSME Sector and good practices in State (information/data available on NITI Aayog). Instructions for including areas to be focussed for preparation of Annual Audit Plan/Selection of topics for PAs/SSCAs have been already sent. **(All AMGs and APDAC to take action in compliance to the instructions.)**

5.0 Agenda 4 includes emphasis on uploading of supporting working paper in OIOS for all audit work done and preparation of check list for key audit areas for each compliance audit.

(Action for all AMGs/ITA: - Ranking of inspection reports which includes some points to be assigned for identification of best practices and quality of audit analysis is to be carried out.)

6.0 Agenda 5 includes explanation of current framework for audit and TGS of local bodies and the upkeep of accounts by urban local bodies and various parameters to be checked while reviewing the financial audit of ULBs.

(Action for AMG-IV (Quality Control Cell)/ APDAC: - Constitution of review teams to carry out review of finance audit of ULBs by AMG-I. Reports on the exercise to be submitted to the LGA wing by 28 February 2026.)

7.0 Key weaknesses highlighted in respect of Field Audit Offices as per Agenda 6 which all Field Audit Offices should guard against. Some of them are as below: -

- Non-preparation of any Audit Report for three years by a Field Audit Office.
- Approval of audit plans without submission through Group Office in a Field Audit Office.
- Closure of audit objection without sufficient justification in some Field Audit Office(s).
- Improper lack of follow-up on serious complaints forwarded by Hqrs.

(Action for all AMGs: - Ensure non-occurrence of such issues in future. Instructions of Hqrs to be followed.)

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

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Encl. - As above

Sr. Audit Officer/SMU

Endt. No./SMU/2025-26/F-61/O.O-106/GTR-1/2213-2236 Date 31.10.2025

Copy forwarded for information and necessary action please: -

1. Secy. to PAG
2. DAG/Admin.
3. DAG/AMG-I, AMG-II, AMG-III, AMG-IV, AMG-V
4. Sr AO/Report-I, Report (PAC), APDAC, ITA
5. Sr AO (Vetting)/all AMGs
6. Sr AO (Report)/all AMGs
7. Sr AO/ IS Wing for uploading on intranet/official website
8. Sh. Utkarsh Yadav, AAO for uploading on intranet/official website
9. Guard file

Sr. Audit Officer/SMU