

# PERFORMANCE REPORT 2022-23



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest

**Supreme Audit Institution of India**





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Supreme Audit Institution of India





# From the desk of Comptroller and Auditor General of India



I am pleased to present the Performance Report of the Supreme Audit Institution of India (SAI India) for the year 2022-23. The report outlines our key achievements during the year and highlights our major activities in domestic and international arenas.

SAI India derives its authority and mandate from the Constitution of India and its laws. The Comptroller and Auditor General of India has a unique role in the federal structure of our country, being entrusted with the audit of the Union and State Governments as well as being responsible for compilation of accounts of most of the State Governments. Our Audit Reports are presented before the Parliament and the State Legislatures, thereby enforcing the accountability of the Governments to the Legislatures.

We continued to make significant advances in attaining our strategic priorities. We finalised 172 Audit Reports during 2022-23, of which 35 were for tabling in Parliament and 137 in State Legislatures; and thereby surpassed our previous performance. We made remarkable progress in our accounting functions as well, having compiled and certified Finance and Appropriation Accounts of all the 28 States for 2021-22 by end December 2022.

In the aftermath of the COVID pandemic, we have successfully leveraged our technologies and skills in adapting to the changed governance structures and processes. Use of advanced auditing tools, data analytics, and deeper engagement with our stakeholders have enabled us to improve

our auditing techniques and conduct insightful audits that have visibly impacted executive functioning. The second edition of our Compendium of new initiatives and good practices in SAI India, titled 'The Catalysts....in pursuit of Good Governance' appropriately highlights some of our recent innovations in auditing techniques.

We made definite progress in our infrastructure plans, as we moved closer to fulfilling our objective of complete digitisation of auditing systems. Development of our One-IAAD-One-System (OIOS) application, an end-to-end Audit Process and Knowledge Management System initiated in 2019, was completed during the year and became fully operational across all offices of SAI India with effect from 1 April 2023. We have also initiated automation of HR/ Administration functions, through a phase wise deployment of Government of India's IT application (e-HRMS) in SAI India.

Strengthening audit of *Panchayati Raj* Institutions and Urban Local Bodies, which form the last tier of governance functioning at the grass root level remained our priority. To aid our auditor personnel, a Practice Guide containing a detailed framework for planning and conduct of Technical Guidance and Support to the primary auditors of the Local Bodies was released.

We made significant strides in our accounting and entitlement functions during the year. Development of a pan-India dashboard for voucher data analysis, data validation, data-based assurance and data visualisation based on voucher level data is in its final stages.

SAI India remains committed to the INTOSAI strategic objectives for achievement of the Sustainable Development Goals. While audit of implementation of the SDGs is part of our Performance Audits, we also directed our efforts towards development of procedures for accounting of natural resources. We began this initiative in 2020, by developing a concept paper in Natural Resource Accounting (NRA). It envisaged implementing NRA in India in accordance with the System of Economic and Environmental Accounting – Central Framework of the United Nations. We successfully guided all the 28 States and the Union Territory of Jammu & Kashmir to prepare asset accounts on Mineral and Energy resources. Based on these asset accounts, a first-of-its kind National Compendium of Assets Accounts on Mineral and Energy resources covering 107 major/minor minerals and fossil fuels was released.

SAI India celebrated the second *Audit Diwas* – a day commemorating the institution of the CAG of India, on 16 November 2022. The Hon'ble Vice President of India, Shri Jagdeep Dhankhar graced this occasion. As part of our outreach activities, a National Online Essay Writing Competition (in English & Hindi languages) on specified curated contemporary topics was organised for University students in India. The objective of engaging our young citizens was to improve their understanding of governance and public accountability paradigm and to provide us with insights into their expectations of the institution of the CAG. The winners were awarded with cash prizes on *Audit Diwas*.

SAI India is a people driven organisation and our personnel are our assets. In order to recognise and reward the extraordinary and innovative work done by the officers and staff of the organisation,

the CAG's Awards for Innovation and Excellence in Public Auditing and Accounting were instituted in 2021. During its second edition in 2022, awards were conferred on eight teams selected from our offices spread across the country. The awards recognised projects that reflected out-of-the-box thinking and a passion to achieve high levels of quality and to streamline our systems. Recognising that in addition to individual excellence, from an organisational perspective it is likewise important to nurture all round qualitative improvement, awards for the Most Improved Offices were conferred to nine offices that showed maximum improvement in performance in the spheres of Accounting, Auditing and Training.

Our achievements are a result of the dedicated work of our employees. We are conscious of the need for continuous professional development of our people. Our Training Institutes provide quality training to our employees on a host of subjects to build domain expertise and equip them with technical skills necessary for their work. Our International Training Centres at Noida and Jaipur offer world class facilities and training in IT and environment areas respectively, for international and national participants.

In the international domain, we remained active participants in events organised by the International Organization of Supreme Audit Institutions (INTOSAI) and Asian Organization of Supreme Audit Institutions. During the year, five bodies of the United Nations were under our audit jurisdiction namely, the Food and Agriculture Organization (2020-2025), World Health Organization (2020-2023), Inter Parliamentary Union (2020-2022), Organisation for Prohibition of Chemical Weapons (2021-2023) and International Atomic Energy Agency (2022-2027). We were also appointed as the external auditor of the International Labour Organization (2024-2027) during the year. We take pride in our professionalism and expertise, that guides our authoritative presence in the international auditing realm.

SAI India has always accorded great importance to partnerships with other SAIs engendering sharing of knowledge and experiences for improved professional practices in public sector audit. During 2022-23, we signed four new Memorandums of Understanding (MoUs) and extended one MoU with different SAIs. Our bilateral ties with these SAIs not only strengthen our relations with these countries but also serve to enhance mutual cooperation for the development of an improved audit quality regime.

Under the aegis of the Indian Presidency of G20 from December 2022, SAI India assumed Chairmanship of the SAI20 Engagement Group. The SAI20 plays an important role as strategic partner for the Governments of G20 member States by providing oversight, insight and foresight views. SAI India chose 'Blue Economy' and 'Responsible Artificial Intelligence' as the priority areas for consideration and collaboration by the SAI20. The themes of the SAI20 Summit in India, namely 'Blue Economy' and 'Responsible AI' represent new-age opportunities and concerns which merit collaboration amongst the member States for developing appropriate auditing framework in these areas. The two themes are aligned with the overarching theme of the Indian Presidency of G20 which is '*Vasudhaiva Kutumbakam*' - One Earth, One Family, One Future. As a precursor to the SAI20

Summit scheduled in June 2023, SAI India hosted the SAI20 Senior Officials Meeting in March 2023 in Guwahati, Assam. The meeting saw participation from G20 member countries, guest countries and other International Organisations.

Under the broad umbrella of India's Chairmanship of Shanghai Cooperation Organisation (SCO), the CAG of India assumed the Chairmanship of SCO SAIs. SAI India, in February 2023, hosted the 6<sup>th</sup> SCO SAI Heads Meeting in Lucknow on the theme 'Integrating Emerging Technologies in Audit', with Artificial Intelligence and Cyber Security, as the two sub-themes. We also hosted the 3<sup>rd</sup> BRICS SAI Leaders meeting on the theme 'Citizen Engagement in Public Sector Audit' in October 2022 in New Delhi. Subsequently, the CAG of India took over the Chairmanship of BRICS SAIs Cooperation for two years.

I hope this Performance Report helps our stakeholders - legislators, executives, academia and members of the public to have an overall view of our work. I thank our valued stakeholders for their cooperation and contribution to our efforts at promoting transparency and accountability in governance.



**(Girish Chandra Murmu)**  
**Comptroller & Auditor General of India**

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# Preface

## About this Performance Report

The Constitution of India and laws enacted by the Parliament of India have entrusted the Comptroller and Auditor General of India (CAG) with multifarious responsibilities in the spheres of auditing and accounting. Compiling accounts of Governments of most of the States and conducting audit of activities of the Union & State Governments and their organisations are the major statutory responsibilities of the CAG of India. Besides, the CAG renders advice to the executive in matters relating to accounting standards & policies and the form of financial statements and also performs entitlement functions for some States.

The CAG and the Indian Audit & Accounts Department constitute the Supreme Audit Institution (SAI) of India, together having an obligation to promote financial accountability and transparency in the affairs of the Government.

This report is being presented in fulfilment of the accountability requirements of SAI India. It gives an account of our activities and achievements during the year 2022-23, as also the regularity and efficiency in the use of our resources and the impact of our work.

Our objective is to create awareness and understanding about SAI India. We also seek to inform our clients and stakeholders about our key results and achievements and showcase some of our exceptional work, towards better appreciation of the contribution of the CAG in promoting public accountability and good governance.





## Key Facts

172	Audit reports approved
₹5,037.35 Crore	Money recovered based on Audit observations
96.66%	Prompt redressal of grievances received from pension/PF subscribers
8,915	Accounts examined
38,778	Units covered under compliance audit (95.39 <i>per cent</i> of planned units)
26,807	Inspection reports issued
2,821	Audit recommendations made in approved Audit reports
3,721	Action Taken Notes to audit reports vetted
2,207	Treasuries inspected
1,95,061	General Provident Fund (GPF) final payment cases finalised within prescribed time (95.79 <i>per cent</i> )
5,93,985	Original and Revision Pension cases settled (89.99 <i>per cent</i> of cases received)
1,874	Training courses conducted at Regional Training Institutes/Centres and in-house
31,770	Participants in above training courses
5	International multilateral organisations audited during the year (Food and Agriculture Organization, International Atomic Energy Agency, Inter Parliamentary Union, Organisation for Prohibition of Chemical Weapons and World Health Organization)
4	New Memorandums of Understanding signed with other Supreme Audit Institutions during 2022-23



# Section-1

## SAI India : Mandate and Structure

- ◆ **Chapter 1**  
Milestones in the evolution of the Supreme Audit Institution of India
- ◆ **Chapter 2**  
Mandate of SAI India
- ◆ **Chapter 3**  
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How we manage our resources



Statue of Father of the Nation Mahatma Gandhi in the CAG office premises



# CHAPTER 1

## **Milestones in the evolution of the Supreme Audit Institution of India**



## 1.1 Our legacy

The Supreme Audit Institution (SAI) of India is one of the oldest institutions of India. The role of the Comptroller and Auditor General of India (CAG) has evolved through legislature and practice. Just prior to the first war of Independence in 1857, a major administrative reorganisation was initiated by the then Governor General of India, Lord Canning. This led to the setting up of, for the first time, a separate department with an Accountant General at the helm in May 1858. He was responsible for accounting and auditing of the financial transactions under the East India Company. After 1857, the British Crown took over the administration of India and passed the Government of India Act, 1858. This Act introduced a system of an annual budget of Imperial Income and Expenditure in 1860. The budgeting system laid the foundation stone of Imperial Audit. Sir Edward Drummond took charge on 16 November 1860 as the first Auditor General.

The term Comptroller and Auditor General of India was first used in 1884. Under the Montford Reforms of 1919, the Auditor General became independent of the Government. The Government of India Act, 1935 strengthened the position of the Auditor General by providing for Provincial Auditors General in federal set-up. Till 1947, when the last British Auditor General Sir Bertie Monro Staig handed over the reins, the department remained an integral part of British administration and provided unified accounting and auditing arrangements for the whole of British India.

Post-Independence, these arrangements continued till the adoption of Constitution of India in 1950 which created the institution of the Comptroller and Auditor General of India. Shri V. Narahari Rao was the first Comptroller and Auditor General of independent India. The passing of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act by the Parliament in 1971 further strengthened the position of SAI India as the independent constitutional authority with the overarching responsibility of oversight over public expenditure.

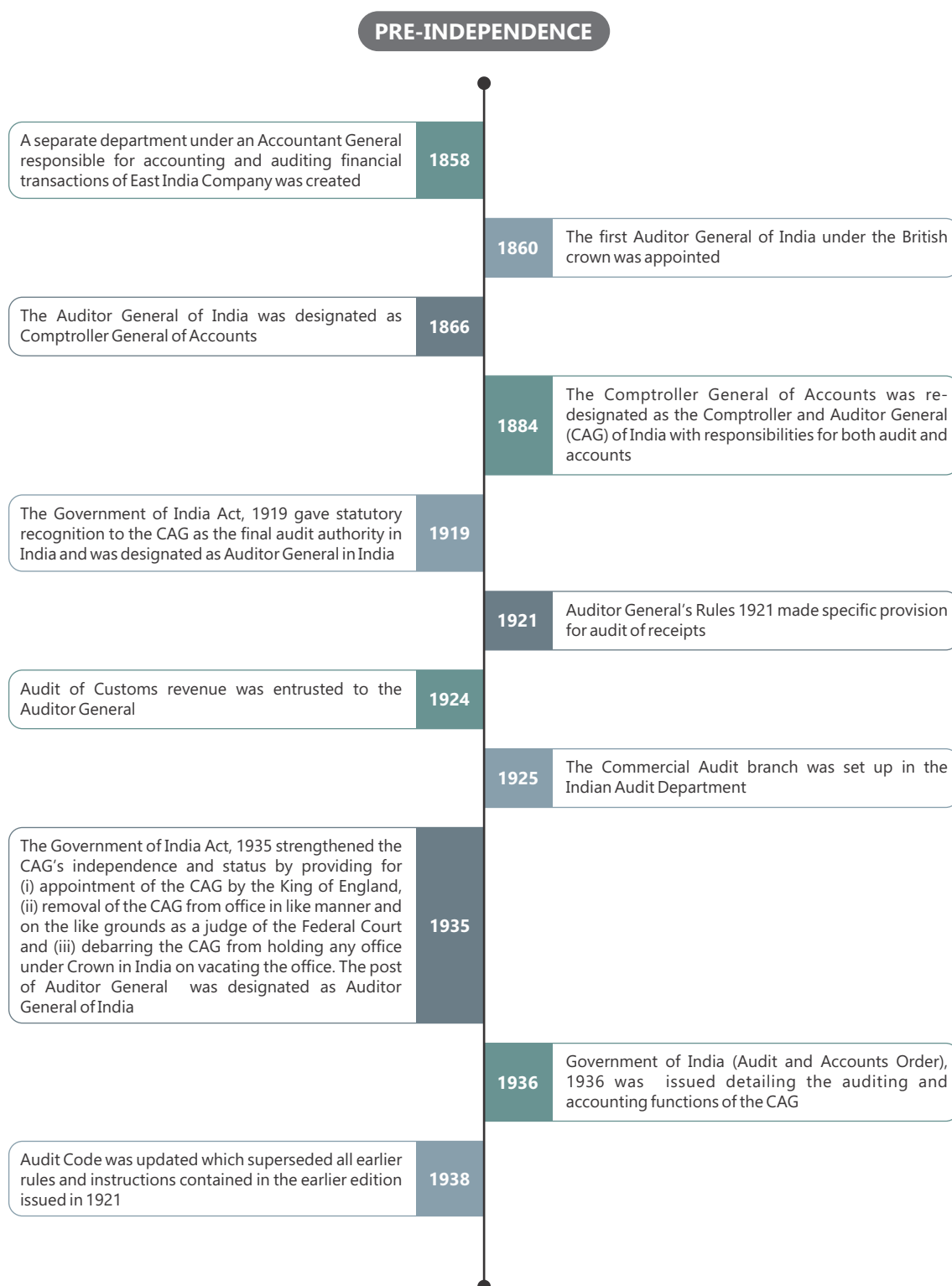
**Dr. B. R. Ambedkar,  
Chairman of the Drafting  
Committee of the  
Constitution, in his speech  
in the Constituent  
Assembly said :**

“

I am of opinion that this dignitary is probably the most important officer in the Constitution of India. He is the one man who is going to see that the expenses voted by Parliament are not exceeded, or varied from what has been laid down by Parliament in what is called the Appropriation Act.

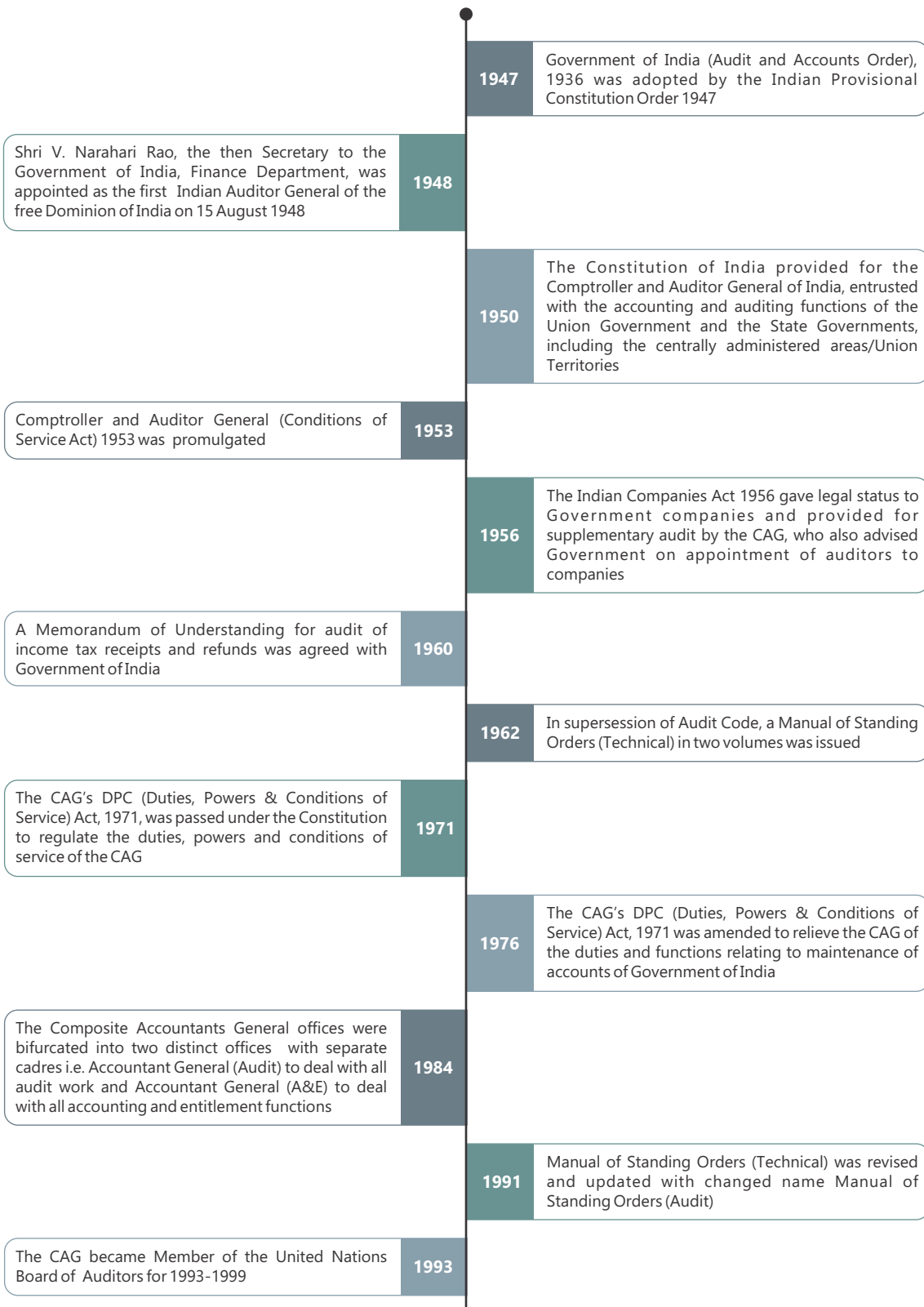
”

## 1.2 Important milestones in the evolution of SAI India

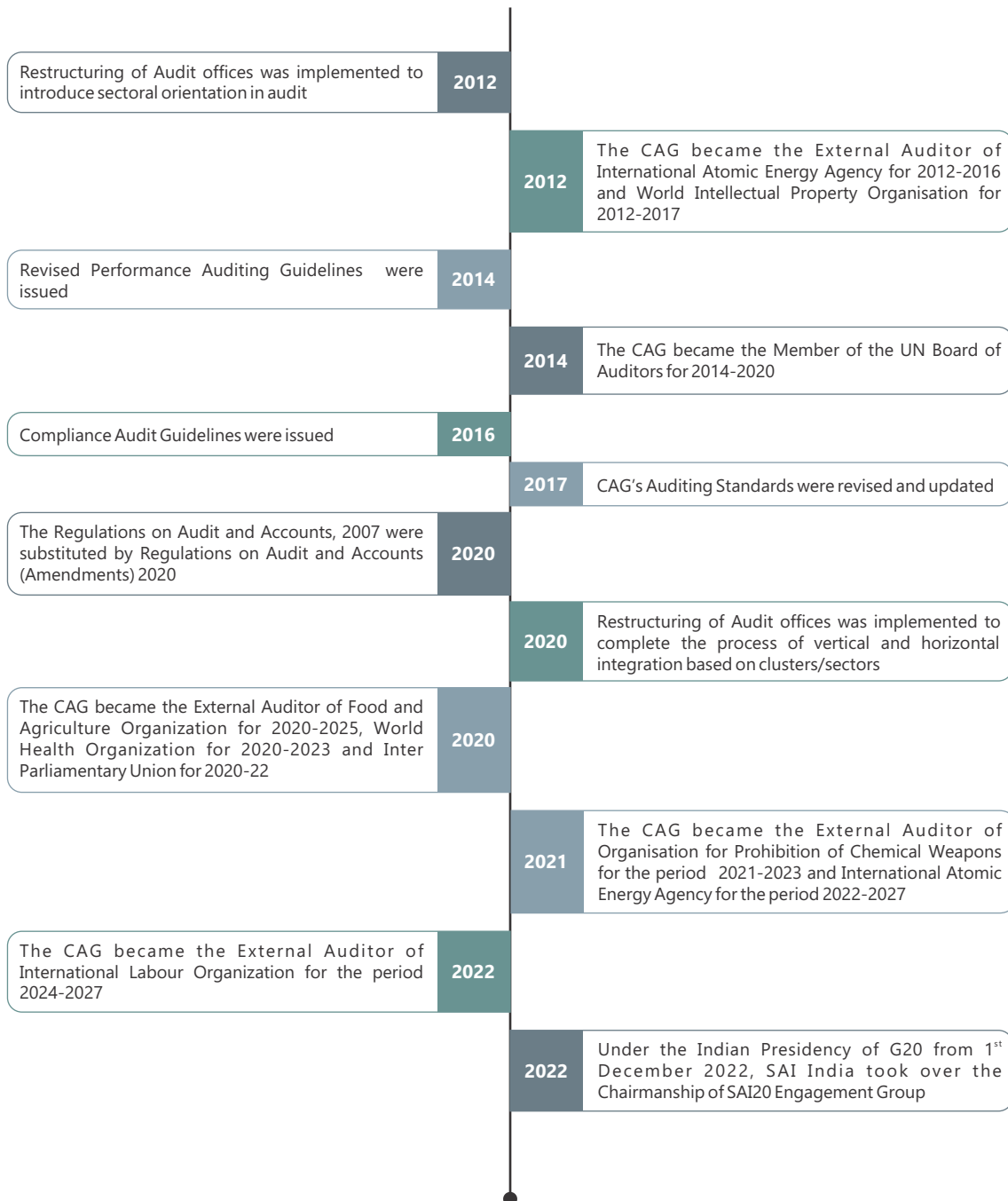




## POST-INDEPENDENCE



	1994	The first Auditing Standards were issued detailing the basic principles and practices which the Auditors should follow
The CAG became the External Auditor of International Centre for Genetic Engineering and Biotechnology for 1996-2004	1996	
	1997	The CAG became External Auditor of Organisation for Prohibition of Chemical Weapons for 1997-2003
SAI India was conferred the Jorg Kandutch Award by Congress of INTOSAI (INCOSAI) in recognition of important achievements and contributions made in the field of Government Audit by SAI India	1998	
	1999	The CAG constituted an Audit Advisory Board
Voucher Level Computerisation was introduced	1999	
	2000	The CAG became the External Auditor of International Maritime Organisation for 2000-2012 and UN World Tourism Organization for 2000-2015
Government Accounting Standards Advisory Board was set with the support of the Government of India to establish and improve standards of Government accounting and financial reporting including enhancing accountability mechanism	2002	
	2002	Manual of Standing Orders (Audit) was revised and updated
The revised CAG's Auditing Standards were issued which suitably adopted restructured auditing standards issued by INTOSAI in 2001	2002	
	2002	The CAG became the External Auditor of Food and Agriculture Organisation for 2002-2008
Performance Auditing Guidelines were issued which helped the SAI India to adopt the prevalent international standards of performance auditing	2004	
	2004	The CAG became the External Auditor of World Health Organisation for 2004-2012
Regulations on Audit and Accounts, 2007 were issued by the CAG by using its powers to frame rules and regulations under the CAG's DPC Act	2007	
	2010	The CAG became the External Auditor of World Food Programme and International Organization for Migration for 2010-2016





# CHAPTER 2

## Mandate of SAI INDIA



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## 2.1 About SAI India

The Comptroller & Auditor General of India (CAG) and the Indian Audit and Accounts Department (IA&AD), functioning under him, together comprise the Supreme Audit Institution of India (SAI India) which is a unified audit mechanism in the federal set up under the Constitution of India. In the Constitutional scheme of checks and balances in a Parliamentary democracy, this mechanism is designed to ensure accountability of the executive to the legislature. Audit is an indispensable part of a regulatory system, the aim of which is to ascertain compliance with the accepted standards of prudent management of public finances. Senior functionaries of SAI India, representing the CAG in the States, are called Principal Accountants General/Accountants General.

The Parliament/State Legislatures approve the annual budgets, as well as supplementary appropriations and authorise the Government to collect taxes. There are financial rules to ensure standards of propriety, regularity and probity in managing public funds. Government Departments and other public bodies are expected to follow these rules and adhere to the framework prescribed therein, when they receive and spend public money. The spending Departments are accountable to the Parliament and State Legislatures for both the quantity as well as the quality of expenditure incurred by them.

Articles 148 to 151 of the Constitution of India prescribe a unique role for the CAG in assisting the Parliament in enforcing the legislative accountability of the Government Departments. The CAG audits the accounts of both, the Union and State Governments, and also compiles the accounts of the State Governments.

The role of the CAG assumes great significance in view of our federal multiparty democracy, wherein both the Union and State Governments are responsible for the formulation and implementation of a large number of schemes involving substantial public resources. There has also been a sustained emphasis on focus on growth, all-inclusive welfare, promotion of technology-enabled development, energy transition and climate action. In response, SAI India is also continuously engaged in re-examining and evolving its processes, infrastructure and capacities to ensure that the CAG's mandate is effectively discharged in the emerging governance models and information technology driven platforms.

Proper accounting and auditing of *Panchayati Raj* Institutions (PRI) has been an area of concern for successive Central Finance Commissions. Accordingly, we have focused on taking pro-active measures for augmenting capacity building of Local Fund Auditors/Examiners of Local Funds and handholding of State organisations while also engaging with stakeholders in an effort to enhance good governance at the grass root level.

### Speech of Dr. Rajendra Prasad, the first President of India, 21 July 1954

“The CAG has the power to call to account any officer, however highly placed, so far as the State moneys are concerned. Hence he should be provided with all the necessary facilities to enable it to function in a way calculated to ensure the discharge of the duties allocated to it in the best possible manner.”



## 2.2 Our Vision, Mission and Core Values



### VISION

**(Our vision represents what we aspire to become)**

Continue to provide independent and credible assurance on public resources and be a global leader in public sector auditing.



### MISSION

**(Our mission enunciates our current role and describes what we are doing today)**

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent and timely assurance to the Legislature, the Public and the Executive, that public funds are being collected and used effectively and efficiently.



### CORE VALUES

**(Our core values are the fundamental beliefs that guide our institution and our people)**

#### **Institutional Values:**

Maintaining professional standards, objective and balanced approach, independence and transparency.

#### **People Values:**

Ethical behaviour, integrity, professional competence, fairness and social awareness.

## 2.3 Independence of SAI India

The Constitution of India provides for independence of the CAG from the executive branch of the Government of India and the States. Articles 149 and 150 provide for the duties and powers of the CAG. Article 151 prescribes that audit reports relating to the Union and the State Governments are to be submitted to the President of India/ Governor of the State, to be placed before the Parliament or State Legislatures. The CAG is an independent Constitutional authority who is neither part of the Executive, nor of the Legislature.



The Constitution enables independent and unbiased audit by the CAG by providing for:

- Appointment of the CAG by the President of India;
- Special procedure for removal of the CAG, as applicable to a judge of the Supreme Court;
- Salary and expenses of the CAG not being subject to vote of Parliament; and
- Making the CAG ineligible to hold any other Government office after completion of the term.

The Constitution further provides that the conditions of service of persons serving in SAI India and the administrative powers of the CAG shall be such as may be prescribed by rules made by the President, after consultation with the CAG.

## 2.4 Our Accounts Mandate

The CAG's (Duties, Powers and Conditions of Service) Act, 1971<sup>1</sup> (CAG's DPC Act, 1971), promulgated in exercise of powers conferred by the Constitution of India, provides for compilation of accounts of the State governments by the CAG. Besides compiling the accounts, the CAG is responsible for preparing and submitting the accounts to the President, Governors of States and Administrators of Union Territories (UTs) having Legislative Assemblies. He may also give information and render assistance, related to preparation of the accounts. The CAG compiles accounts of the State Governments from the subsidiary accounts submitted by treasuries and other officers of the State Governments. We raise an alarm if monies are being drawn in excess of authorisation. We actively monitor expenditure patterns and issue advice on excesses, surrenders and lapses of funds.

The Union Government is authorised, after consultation with the CAG, to frame rules, for maintenance of accounts by the Union and State Government Departments, including the manner in which initial and subsidiary accounts are to be kept by the treasuries, offices and departments rendering accounts to audit and accounts offices.

## 2.5 Our Audit Mandate

### 2.5.1 CAG's DPC Act, 1971

The audit mandate of the CAG is defined in the CAG's DPC Act, 1971 and certain other laws enacted by the Parliament. The CAG has the mandate to audit and report upon:

- All receipts payable into and expenditure from the Consolidated Fund of the Union and the State Governments;
- All financial transactions in emergencies, outside the normal budget (called the Contingency Fund);
- Inflows and outflows of private monies of the public held by the Government as a trustee or banker (called Public Accounts), at the Central, as well as at the State levels;

<sup>1</sup> Sections 10, 11, & 12 of the CAG's DPC Act 1971

- All trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts kept in any Government Department;
- All stores and stock accounts of all Government offices and Departments;
- Accounts of all Government companies and any other company as defined in the Companies Act 2013;
- Accounts of all Regulatory Bodies and other statutory authorities/corporations, where the governing laws provide for their audit by the CAG;
- Accounts of all autonomous bodies and authorities substantially financed by the public exchequer;
- Accounts of a body or authority whose audit is specifically entrusted to the CAG, in public interest, by the President/ Governor /Lt. Governor, under enabling provisions of the CAG's DPC Act, 1971.

The following special responsibilities have also been entrusted to the CAG:

- On the recommendations of successive Central Finance Commissions, the States have entrusted, to the CAG as per provisions of the CAG's DPC Act, the role of providing Technical Guidance and Support (TGS) to the Local Fund Audit Wings of State Governments, who are the Primary Auditors of Local Bodies (LBs). The components of TGS include *inter alia* support and handholding of Primary Auditors for setting of auditing standards, audit planning, adoption of improved audit methodologies and capacity building. In addition, utilisation of funds received as grants-in-aid from Central/State Governments and implementation of Central/ State Schemes by LBs are also audited. Further, all receipts and expenditure of those LBs are audited which are either substantially financed from the Consolidated Fund of India/ States or where such audit has been entrusted by the State Governments.
- Conducting a review of the performance of the Union Government in meeting its obligations under the Fiscal Responsibility and Budget Management Act.
- Certifying the net proceeds of Central taxes/duties, which are shareable with the States.

### 2.5.2 Mandate through judicial pronouncement

The CAG has the authority to audit the accounts of even a private company, not normally within the audit mandate of the CAG, if the company has been allowed the commercial use of scarce natural resources under the terms of license, which require the company to share a part of the revenue so generated with the government. This authority was upheld by the Hon'ble Supreme Court of India in its judgment dated 17 April 2014 pertaining to the companies providing telecom services.

## 2.6 Our Powers

### 2.6.1 Powers to Audit

In carrying out the above mentioned duties, the CAG has powers<sup>2</sup> to:

- inspect any office or organisation subject to his audit;
- call for any records, papers, documents from any audited entity;
- decide the extent and manner of audit;
- examine all transactions and question the executive; and
- dispense with, when circumstances so warrant, any part of detailed audit of any accounts or class of transactions and to apply such limited check in relation to such accounts or transactions as he may determine.

### 2.6.2 Powers of Delegation

The CAG can delegate his powers, under the provisions of the CAG's DPC Act, 1971 or any other law, to any officer of his Department, with the exception that, unless the CAG is absent on leave or otherwise, no officer can submit an audit report to the President or the Governor on his behalf.

### 2.6.3 Powers to make regulations

The CAG can make regulations for carrying into effect the provisions of the CAG's DPC Act, 1971, in so far as they relate to the scope and extent of audit, including laying down, for the guidance of Government Departments, the general principles of Government accounting and the broad principles in regard to audit of receipts and expenditure.

In view of significant developments in the environment wherein public auditors operate such as governance paradigm, changes in government priorities, extensive deployment of IT tools in service delivery and data environment of the government, new form of institutional set ups, judicial interpretation of the CAG's mandate, scope and applicability of public audit provisions etc., the 'Regulations on Audit and Accounts' issued in 2007 under the above mentioned powers were reviewed and have been substituted by Regulations on Audit and Accounts (Amendments) 2020.

## 2.7 Different types of Audit conducted by SAI India

The CAG's powers extend to determining the scope, extent, methodology and approach to be adopted in conducting any audit. We conduct Financial Audit, Compliance Audit and Performance Audit or any combination of these types of audits, in accordance with our mandate, standards and guidelines framed by the CAG in this regard.

<sup>2</sup> Sections 18, 21, 22, 23 & 24 of the CAG's DPC Act 1971

### 2.7.1 Financial Audit

Financial Audit deals with determining whether an entity's financial statements and information are properly prepared, complete in all respects and are presented with adequate disclosures in accordance with the prescribed financial reporting and regulatory framework; and is accomplished by obtaining sufficient and appropriate evidence to enable the auditor to express an opinion as to whether the financial statements and information represent a true and fair view of the entity's financial situation and are free from material misstatement due to fraud or error.

### 2.7.2 Compliance Audit

Compliance audit is an independent assessment of whether a given subject matter (an activity, financial or non-financial transaction, information in respect of an entity or a group of entities) complies in all material respects with the applicable laws, rules, regulations, established codes etc. and the general principles governing sound public financial management and the conduct of public officials.

### 2.7.3 Performance Audit

Performance Audit is an independent, objective and reliable examination of whether Government entities, institutions, operations, programmes, funds, activities (with their inputs, processes, outputs, outcomes and impacts) are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement.

# CHAPTER 3

## Organisation of SAI India





### 3.1 Organisation of SAI India

The CAG discharges his duties through the Indian Audit & Accounts Department. SAI India is a knowledge based and human resource driven organisation. It consists of approximately 40,000 employees. The CAG's office located in New Delhi is the headquarters of SAI India. During 2022-23, it was supported by 136 field offices (131 offices spread across India and five offices located abroad). Three Central Training Institutes and 12 Regional Training Institutes/Centres provide capacity building support.

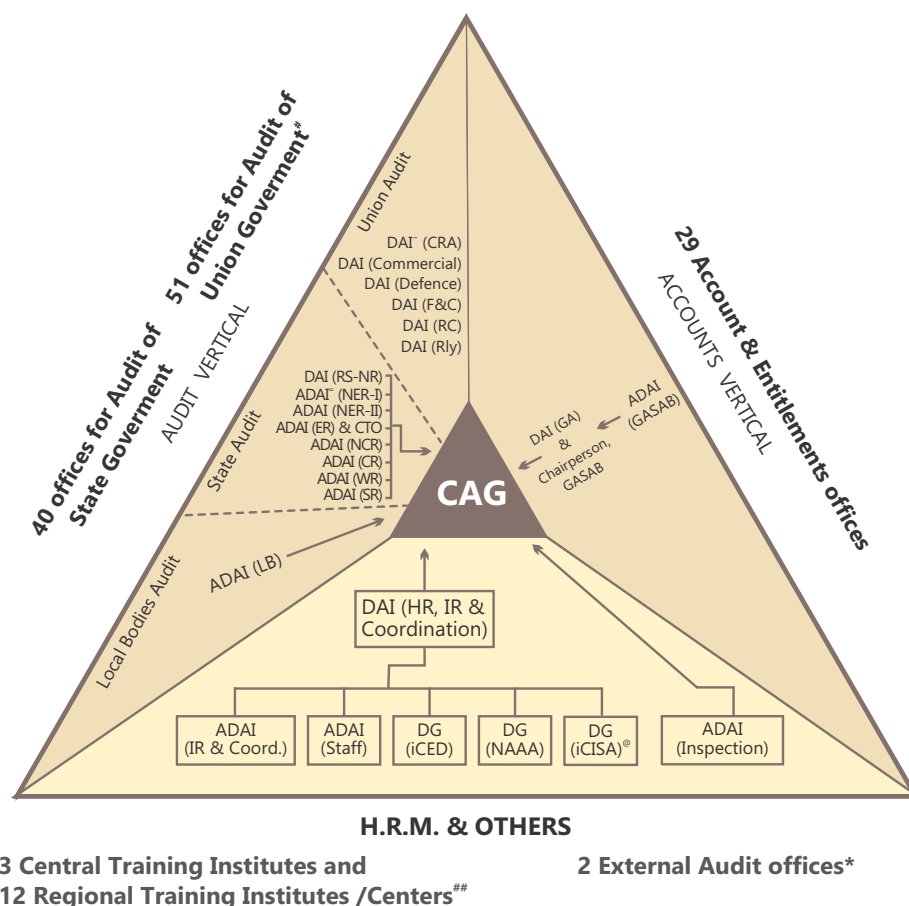
The Office of the Comptroller and Auditor General of India in New Delhi directs, monitors and controls all activities connected with audit, accounts and entitlement functions of SAI India. It lays down the long term vision, mission and goals of SAI India. It also sets the policies, auditing standards and systems and carries out the final processing and approval of all Audit Reports.

For carrying out these responsibilities, there are separate divisions dealing with Accounts and Entitlement, Civil Audit, Commercial Audit, Defence Audit, Railway Audit, Revenue Audit, State Governments Audit, Professional Practices, Strategic Management, Administration of Personnel, Training, Communication, Inspection of field offices, Big Data Management, etc. These divisions are headed by the Deputy Comptroller and Auditors General/Additional Deputy Comptroller and Auditors General who report to the CAG. They are assisted by Directors General, Principal Directors, Directors and Deputy Directors, who are all senior level managers.

Field offices located in different parts of the country are responsible for carrying out the audit and accounts mandate of the CAG. The audit offices in London, Kuala Lumpur and Washington DC conduct audit of the overseas missions of the Government of India, while our external audit offices in Rome and Geneva carry out the audit of the United Nations' Food and Agricultural Organisation and World Health Organisation, respectively.

Our verticals are structured according to the functions we perform, viz., Audit of Union Government, Audit of State Government, Accounts and Entitlement and Training & Human Resources.

The organisational set up is depicted in the diagram below:



@ ADAI (SR) is holding additional charge of DG(iCISA)

# including 3 Overseas offices at Kuala Lumpur, London and Washington DC

\* located at Rome and Geneva

## one RTC is not a separate office

~ DAI : Deputy Comptroller and Auditor General

≈ ADAI : Additional Deputy Comptroller and Auditor General

The Organisation chart of the office of the CAG is available at <https://cag.gov.in/en/organisation-chart>

The web link to each of the field offices is available at <https://cag.gov.in/en/home/our-office/1>

### 3.2 Comptroller and Auditor General's Audit Advisory Board

There is an Audit Advisory Board, to advise the CAG on matters relating to audit and suggest improvements in the performance and focus of audit within the framework of the Constitutional mandate of the CAG.

The Board consists of nominated external members who are eminent persons in diverse fields, as well as Deputy Comptroller and Auditors General of the SAI India. The members of the Board function in an honorary capacity. The Audit Advisory Board is reconstituted every two years. The first Audit Advisory Board was constituted in 1999. Since then, as on 31 March 2023, the Board was reconstituted nine times (2001, 2003, 2006, 2009, 2011, 2013, 2015, 2018, and 2021).



The Tenth Audit Advisory Board was constituted in April 2021 for the biennium 2021-23. The members of the Tenth Audit Advisory Board were as follows:

### Audit Advisory Board



**Shri Girish Chandra Murmu**

Comptroller and Auditor General of India - Chairman

### All Deputy C&AsG - Ex-officio Members

### External Members



**Shri Ashok Gulati**

Agricultural Economist



**Dr. Devi Prasad Shetty**

Chairman and Executive Director,  
Narayana Health



**Shri H. K. Dash**

Retired IAS Officer



**Prof. Makarand  
R. Paranjape**

Academician



**Shri Manish Sabharwal**

HR Consultant



**Shri Maroof Raza**

Retired Indian Army Officer and  
National Security Analyst



**Shri Nitin Desai**

Distinguished Fellow,  
TERI



**Shri P. K. Srivastava**

Central Vigilance  
Commissioner



**Dr. Ravindra  
H. Dholakia**

Economist



**Dr. Rajeev Lochan Bishnoi**

Credit and  
Financial Specialist



**Shri S.M. Vijayanand**

Retired IAS officer

### 3.3 State Audit Advisory Boards

On similar lines, Audit Advisory Boards have been constituted in the States, under the chairmanship of the concerned Principal Accountants General/Accountants General of Audit Offices. Other Accountants General in the States are ex-officio members of the Board. External members are nominated from amongst eminent academicians, professionals and retired Civil Servants. The objective of the State Audit Advisory Boards is to enhance the effectiveness of our audits, by providing a forum for professional discussion between the senior management of the audit offices and knowledgeable and experienced professionals from varied fields. The Boards meet twice a year and are reconstituted biennially.

# CHAPTER 4

## Training Infrastructure



## 4.1 Training infrastructure of SAI India

The training infrastructure of SAI India comprises three Central Training Institutes, 10 Regional Training Institutes<sup>1</sup> and two Regional Training Centres<sup>1</sup>.

### 4.1.1 National Academy of Audit and Accounts, Shimla

The National Academy of Audit and Accounts (NAAA) is the apex training institute of SAI India, mandated to conduct the induction training of the Officer Trainees of the Indian Audit & Accounts Service (IA&AS) recruited through the Civil Services Examination conducted by the Union Public Service Commission. NAAA also conducts in-service training for officers from IA&AS and other All India and Central Civil Services.



NAAA, Shimla

NAAA facilitates the nurturing of newly recruited Officer Trainees into a cadre of competent officers, well-versed with contemporary best practices in the field of auditing, accounting, public administration and good governance. The residential induction training at the Academy which lasts for 89 weeks commences around mid-December every year and is organised in a sandwich pattern of Phase-I, On the Job Training (OJT) and Phase-II training. Phase-I training is bifurcated into Semester-I & II with focus on different aspects of Government and Commercial Accounting; Public Audit, Public Finance, Law and Policy; Administration and Public Expenditure; Costing and Financial Management. Classroom training is supplemented by On the Job training for 30 weeks in select field offices across the country for providing hands on experience of working in the field formations of SAI India.



Yarrows, NAAA, Shimla

The Officer Trainees are also sent to other academic institutions of excellence for domain specific knowledge including at Indian Institutes of Management, National Institute of Public Finance and Policy, Reserve Bank of India, *NITI Aayog*, Securities and Exchange Board of India, Tata Institute of Social Sciences and Parliamentary Research and Training Institute for Democracies.

During the training at the Academy, focus is also given on the development of interpersonal skills and personality development of the Officer

<sup>1</sup> Regional Training Institutes/ Centres have been re-designated as Regional Capacity Building and Knowledge Institutes/ Centres in July 2023



Trainees through sports, cultural, social outreach and other extra-curricular activities. Various committees of Officer Trainees organise myriad activities/events during their training period which include, *inter alia*, bringing out 'Academy Calling' and 'Yarrows Dew' magazines, organisation of annual photography-cum- exhibition of the entire SAI India known as '*Abhivyakti*', annual debate competition 'Battle of Ideas', annual quiz competition 'Quiriosity', running of Crèche for children of migrant labourers, organisation of blood donation and health checkup camps, organising various sporting events and cultural programmes.

NAAA also offers mid-career and in-service training to IA&AS officers and the officers of other departments. Specialised programmes are also carried out for All India Services and Central Services like the Indian Civil Accounts Service, Indian Defence Accounts Service, Indian Railway Accounts Service, Indian Railway Traffic Service, Indian Postal Service, etc.

#### 4.1.2 International Centre for Information Systems and Audit (iCISA)

iCISA at NOIDA was established in March 2002 and is an ISO 9001:2008 and ISO 27001 certified institution, which strives for ensuring quality systems in training and alignment of IT audit with global best practices. iCISA is a designated Global Training Facility of the INTOSAI Working Group on IT Audit.

iCISA is mandated to impart quality training to officers of SAI India. In addition, iCISA trains senior officers from various services viz. Indian Administrative Service, Indian Forest Service, Indian Defence Accounts Services, Military Engineering Services, Indian Civil Accounts Services and Central Autonomous Bodies, as well as other SAIs.



iCISA, NOIDA

iCISA's mandate extends to capacity building in the area of Information Technology and e-Governance. iCISA collaborates with institutions and agencies such as Information Systems Audit and Control Association (ISACA) India chapter, leading audit firms, Indian Computer Emergency Response Team (CERT-In), Data Security Council of India (DSCI) and Standardisation Testing and Quality Certification (STQC) Directorate of Ministry of Electronics & Information Technology.

iCISA conducts International Training Programmes which are of four-weeks duration. The Ministry of External Affairs provides scholarships for these programmes under the Indian Technical and Economic Co-operation (ITEC) Plan. The broad objectives of these programmes are:

- To promote bilateral co-operation between the Government of India, which funds these training programmes, and other Governments;
- To provide a platform at the International level for various SAIs to come together and share their ideas and experiences in various fields of audit; and

- To provide an opportunity to participants from different SAIs to get an exposure to contemporary best practices in audit and focus on emerging audit concerns.

Senior and middle level officers from various SAIs and officers of Governments of countries in Africa, Central Asia, South East Asia, Far East, Middle East, Pacific and East European region participate in these international training programmes.

iCISA also contributes to capacity building of other SAIs under Bilateral Training Programmes. iCISA has designed and delivered customised training programmes for participants from several countries viz., Afghanistan, Bhutan, Chile, Eswatini, Iraq, Jamaica, Maldives, Nepal, Oman, Uganda and Vietnam. The bilateral training programmes are an effective instrument for deepening ties between the SAIs and respective countries.

#### 4.1.3 International Centre for Environment Audit & Sustainable Development (iCED)

iCED at Jaipur was established in May 2013 and is a designated Global Training Facility (GTF) of the Working Group on Environmental Audit, and the Working Group on Extractive Industries (since August 2016) of International Organization of Supreme Audit Institutions (INTOSAI). As a GTF, iCED plays a stellar role in enhancing learning, experience and knowledge-sharing and exchange of best practices among peers in both INTOSAI WGEA and ASOSAI WGEA forums.



iCED, Jaipur

iCED is also a leading institution for conducting training programmes on Environment Audit under the Indian Technical and Economic Co-operation Programme (ITEC) sponsored by the Ministry of External Affairs, Government of India. For its internal capacity-building programme, iCED conducts National Training Programmes on the audit of environmental issues which are specifically aligned with Sustainable Development Goals and national targets.



iCED, Campus

Its campus has the unique distinction of being the country's first ever GRIHA (Green Rating for Integrated Habitat Assessment) five-star rated green building.

Cementing SAI India's commitment towards environmental conservation iCED was designed to be a part of the living environment. iCED's campus sprawling over 16 acres of land is amidst the picturesque backdrop of the Aravalli hills, just outside the historic city of

Jaipur. It has an extensive green belt of nearly 10,537 plants and trees, including shrubs, hedges and plants of a bio-diverse terrain. Of the total area, 85 *per cent* of the campus is a 'Green Zone' with variegated flora and fauna.

#### 4.1.4 Regional Training Institutes/Centres

SAI India has 10 Regional Training Institutes (RTIs) and two Regional Training Centres (RTCs) located across the country to provide training in Accounts, Audit, Administration, Management and Information Technology for officers/officials of SAI India. The institutes are located in Chennai, Hyderabad, Jaipur, Jammu, Kolkata, Mumbai, Nagpur, Prayagraj, Ranchi and Shillong. Two RTCs are located in Bengaluru and Delhi.

The RTIs/RTCs function as Knowledge Centres for specific areas of specialisation assigned to each of them. As Knowledge Centres, the RTIs/RTCs prepare Structured Training Modules (STMs), case studies and other training materials on topics pertaining to their designated areas of specialisation. They conduct All India Training Programmes in the area of specialisation allotted to them.



RTI Chennai



RTI Kolkata



RTI Ranchi



RTI Hyderabad



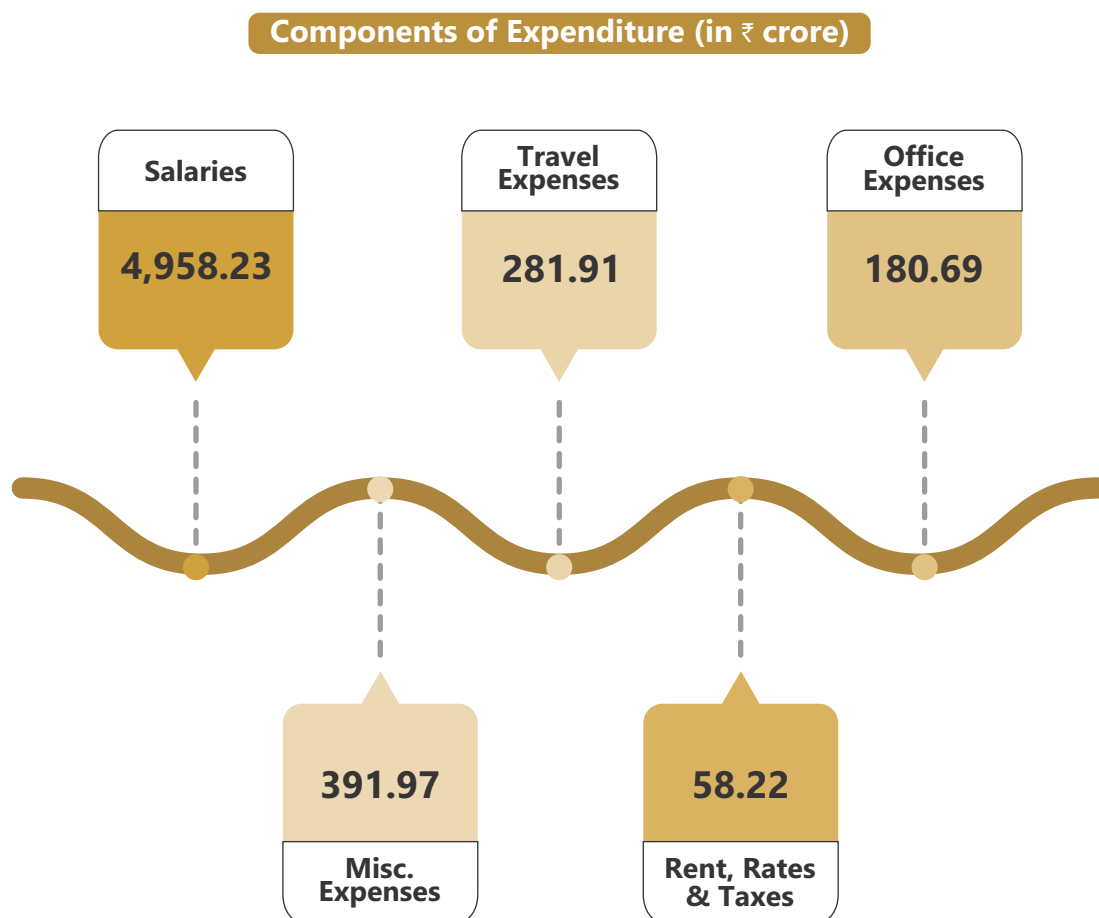
# CHAPTER 5

**How we  
manage our  
resources**



### 5.1. Financial Management - Components of Expenditure

We spent ₹5,871.02 crore in 2022-23. A major share of total expenditure (89.25 *per cent*) was incurred directly on our human resources – 84.45 *per cent* on 'Salaries' and 4.80 *per cent* on 'Travel'. Component wise details of expenditure are given below:



Total expenditure for the financial years 2019-20, 2020-21 and 2021-22 were ₹5097.49 crore, ₹5,035.25 crore and ₹5,352.06 crore respectively. Expenditure during financial year 2020-21 decreased due to Covid-19 pandemic.

#### 5.1.1 Expenditure pattern on functional basis

Civil Audit Offices accounted for the largest share of expenditure followed by Accounts & Entitlement Offices. Overall we spent about 67.72 *per cent* on Audit (excluding Headquarters). The total expenditure on the Accounts & Entitlement Offices was approximately 26.09 *per cent*.

Table I.5.1

Category of office	Actual Expenditure (₹ in crore)	Percentage of Expenditure
Headquarters office	219.90	3.74
Civil Audit Offices	2,986.73	50.87
Commercial Audit Offices	270.91	4.61
Finance & Communication Audit Offices	231.25	3.94
Railway Audit Offices	292.58	4.98
Defence Audit Offices	146.50	2.50
Accounts & Entitlement Offices	1,531.57	26.09
UN Audit(Office of Directors of External Audit WHO-Geneva and FAO-Rome)	4.57	0.08
Overseas Audit offices	43.29	0.74
Training <sup>1</sup>	83.14	1.42
Centralised procurements <sup>2</sup>	46.61	0.79
Departmental Canteen	13.97	0.24
<b>Total</b>	<b>5,871.02</b>	<b>100</b>

## 5.2 Human Resources Management

People are our key assets as we are a knowledge based organisation. ISSAI 40 prescribes that the SAI should establish policies and procedures designed to provide it with assurance that it has adequate number of competent and motivated staff to discharge its functions effectively.

Our manpower is broadly classified into four categories:

Category	Numbers of Officers/ Staff in position (as on 1 March 2023)
IA&AS	493
Supervisory Cadre	17,852
Audit & Accounts Staff	19,203
Multi-Tasking Staff	2,435
<b>Total</b>	<b>39,983</b>

<sup>1</sup> Sub-head 'Training' opened from financial year 2022 – 23. Expenditure of ₹83.14 crore booked under sub-head 'Training' includes ₹11.77 crore for iCISA, Noida, ₹18.61 crore for NAAA Shimla, ₹11.74 crore for iCED Jaipur and ₹41.02 crore for RTIs.

<sup>2</sup> Sub-head 'Centralised Procurement' opened from financial year 2022-23.

In SAI India, 45.88 *per cent* people are at different managerial and supervisory levels and 48.03 *per cent* people constitute audit and accounts staff. Only 6.09 *per cent* of the total strength provides support function.



**Indian Audit & Accounts Service (IA&AS)** Officers are recruited through Union Public Service Commission. The top, senior and middle management levels of SAI India are manned by officers from this service. In addition, Senior Audit/Accounts Officers are also inducted into this service by promotions. They constitute the Group A service in Government of India.

**Supervisory Cadres** - The supervisory cadre consists of Senior Audit/Accounts Officers (Group A- Gazetted), Assistant Audit/Accounts Officers (Group B- Gazetted) and Supervisors (Group B- Non-Gazetted). They form the critical operational management in our hierarchy. Assistant Audit/Accounts Officers come through either the direct recruitment process conducted by the Staff Selection Commission or are promoted to the cadre after passing all India departmental examinations popularly known as the Subordinate Audit/Accounts Services Examination.

**Audit & Accounts Staff** - Data Entry Operators (DEOs), Clerks, Auditors/ Accountants, Senior Auditors/Senior Accountants and Assistant Supervisors form this cadre and constitute 48.03 *per cent* of our total manpower. They are recruited by the Staff Selection Commission or promoted from feeder cadre.

**Multi-Tasking Staff** - All support functions in various SAI India's offices are carried out by multi-tasking staff.

### 5.2.1 Qualifications

The IA&AS cadre has 15 doctorates, 222 post graduates and 347 graduates. Out of them 380 are professionally qualified<sup>3</sup> officers. Officers and staff in the non-IA&AS cadre of Group 'A', 'B' & 'C' are also well qualified. We have 45 doctorates, 4,105 professionally qualified personnel, 4,518 post graduates and 20,150 graduates in these cadres.

### 5.2.2 Recruitment

Optimal staffing in the field offices continued to be a focus of the department during 2022-23. Requisitions placed with Staff Selection Commission for direct recruitment to the posts of Assistant Audit Officers, Divisional Accountants, Auditors, Stenographers have materialised during 2022-23.

- We recruited 2,098 persons in 2022-23, viz., 750 Assistant Audit Officers, 500 Auditors, 798 Divisional Accountants and 50 Stenographer Grade-II.
- During the year 2022-23, 398 consultants were appointed on specific requirement basis.

### 5.2.3 Gender Balance

The table below shows the gender profile of the Department in different cadres.

Category	Women	Men	Percentage of women
IA & AS	141	352	28.60
Supervisory Cadre & Audit/ Accounts Staff	5,865	31,190	15.83
Multi-Tasking Staff	398	2,037	16.34
<b>Total</b>	<b>6,404</b>	<b>33,579</b>	<b>16.02</b>

While the proportion of women was 15.83 and 16.34 *per cent* in case of supervisory cadre and Multi-Tasking Staff respectively, it was higher in IA&AS at 28.60 *per cent*.

### 5.2.4 Staff Associations

We have 222 Staff Associations and five All India Federations representing audit and accounts staff and supervisory cadres. State level meetings were periodically held by the Principal Accountants General/Accountants General with the concerned field level Service Associations.

<sup>3</sup> Engineers, Managers, Doctors, CA, ICWA, CFE, CISA, etc.



## Section-2

### Fulfilling Our Mandate

- ◆ **Chapter 1**  
Fulfilling our Audit Mandate
- ◆ **Chapter 2**  
Fulfilling our Accounts Mandate





Statue of Dr. B.R. Ambedkar in the CAG office premises



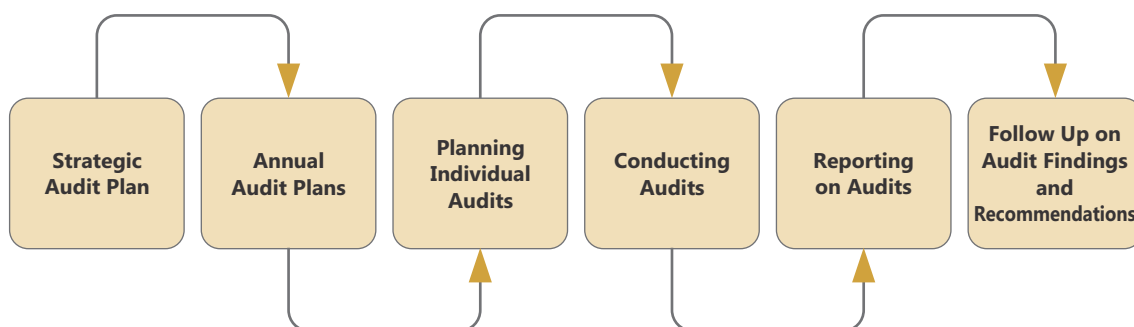
# CHAPTER 1

## **Fulfilling our Audit Mandate**



## 1.1 Our Audit Process

The audit process at the SAI India level and the individual audit office level follows several stages, as depicted in the following diagram:



The Strategic Plan provides the overarching framework for planning in the SAI India on all significant areas for a longer time horizon. A Strategic Plan for SAI India for the period 2023-30 has been prepared and is under the process of fine tuning for adoption.

Annual Audit Plans developed by each field office contain the details of the individual audits planned to be carried out during the annual audit cycle. The annual plan exercise takes into account the periodicity of audit, as determined by audit mandate; risk assessment; and other relevant parameters, including significance of the issue or unit and human resources available. The selection of topics for Performance Audit is guided by various considerations such as risk assessment, materiality and significance, visibility of the subject, past audits, estimated impact, coverage and stage of the programme development, etc.

We also develop detailed audit programmes describing the audit teams to be deployed, the time allotted and the exact dates of the audit. The audit teams conduct audit based on prescribed audit norms, using different techniques for collecting reliable, competent and sufficient audit evidence to support their audit conclusions. They are guided by the auditing standards of SAI India and other instructions issued from time to time.

On completion of an audit, an Inspection Report is issued to the audited entity. Audit findings of high value, or the ones that may have a significant impact, are further processed for inclusion in the Audit Reports of the CAG for laying in the Parliament/State Legislatures at the Union and State levels.

The audited entities are expected to take action on the basis of the shortcomings pointed out and the recommendations made in the Audit Reports and send Action Taken Notes on the audit

observations included in the Audit Reports. The Audit Reports issued by the CAG at the Union and State levels, are discussed by the respective Public Accounts Committees (PAC) and Committees on Public Undertakings (COPU). Action taken on audit observations and recommendations is also examined and reported upon during subsequent audits.

The Audit Committees constituted by audited entities are a mechanism for follow up of audit findings. The Audit Committees, consisting of officials from the audited entity and the SAI India, monitor the follow-up process, so as to bridge any perception gaps and to increase levels of communication, besides discussing and resolving outstanding audit observations.

## 1.2 Highlights of the Annual Audit Plan 2022-23

The Annual Audit Plan 2022-23 accorded priority to the mandatory Financial Attest Audit related assignments. Our coverage of Compliance and Performance audits was guided by risk assessment and optimal utilisation of our remaining resources, with emphasis on quality and timeliness of Audit Report.

After holding several interactions with stakeholders and experts, All India Performance Audits on 'Solar Parks and Ultra Mega Solar Power Projects', 'Development of Skill component of *Pradhan Mantri Kaushal Vikas Yojana*' and '*Pradhan Mantri Awas Yojana (Grameen)*' were initiated during 2022-23. Besides these, we took up cross cutting audits on 'Solid Waste management in Urban Local Bodies' and 'Building and Other Construction Workers' Welfare Cess' across States. We also took up audit on 'Major and Minor Minerals' in several states.

## 1.3 Key Results and Achievements in Audit

Key functional areas of the SAI India include audit of the Ministries/Departments of the Union and State Governments, Public Sector Undertakings (PSUs) and Autonomous Bodies under them and Local Bodies. SAI India conducts Financial, Compliance and Performance audits in each of these functional areas.

The main outputs of these audits are Inspection Reports and Audit Certificates with Separate Audit Reports that are issued to the management of the audited entity. Significant audit observations reported in these audit products are included in Audit Reports of the CAG, which are placed before the Parliament/State Legislatures under provisions of Article 151 of the Constitution of India. Ensuring the quality and timeliness of these audit products is a key result area of the SAI India. In the following paragraphs, we report on the audits performed by us and the highlights of our audit products during 2022-23.

### 1.3.1 Financial Attest Audit

Besides the Financial Attest Audit of annual accounts of the Union and State Governments, Autonomous Bodies and PSUs, the SAI India also certifies the expenditure incurred on externally aided projects, as part of aid agreements.

In 2022-23, we examined 8,915 accounts of Union and State Governments, PSUs, Autonomous Bodies, externally aided projects and other entities and issued audit certificate/comments for each account.

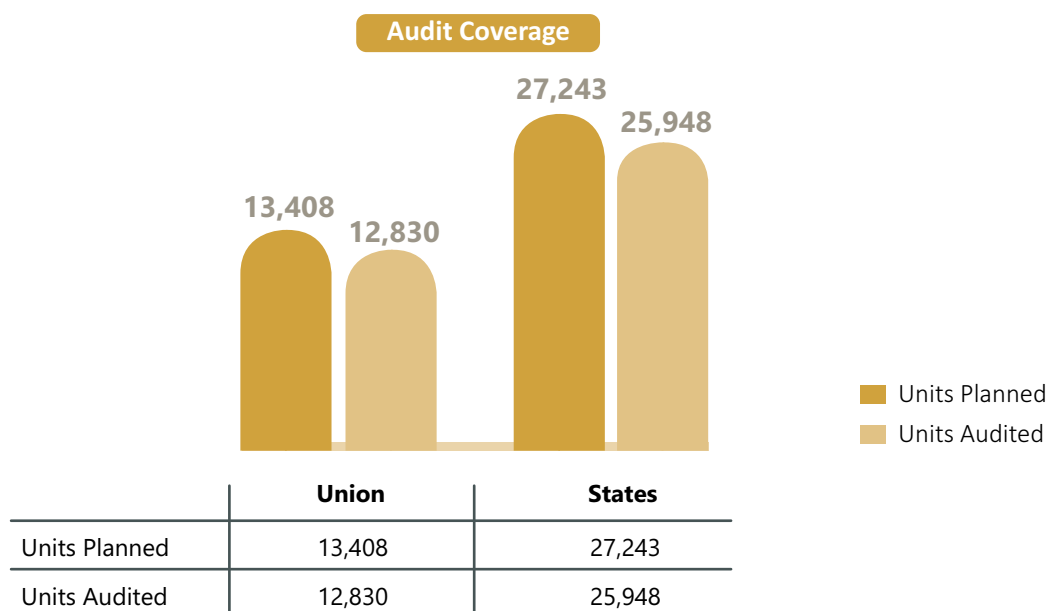
Accounts relating to	No. of accounts examined	On time Audit Certification
Central/State Government	195	151
PSUs (Central/State)	1,837	1,062
Autonomous Bodies (Central/State)	1,156	608
Externally Aided Projects (Central/State)	192	139
Others (Central/States) <sup>1</sup>	5,535	632
<b>Total</b>	<b>8,915</b>	<b>2,592</b>

The delays in certification of accounts were mainly on account of delay in receipt of accounts from the audited entity, delay in receipt of reply/response from the Management/Statutory Auditor, delay in receipt of revised accounts, receipt of accounts for more than one year, etc.

### 1.3.2 Compliance Audits

#### 1.3.2.1 Audit Coverage

A total of 40,651 units were planned for audit during 2022-23. Against this, 38,778 units were audited during the year. The graph below shows that 95.69 *per cent* of the planned audits at the Union level and 95.25 *per cent* of the planned audits at the State level were completed.



<sup>1</sup> Others' include Gram Panchayats and proforma accounts of departmental undertakings of commercial nature including Centrally Sponsored Schemes

### 1.3.2.2 Inspection Reports

Inspection Reports (IRs) are issued on completion of every audit to the audited entity. Of the 38,778 units audited during the year, IRs in case of 22,088 units (56.96 *per cent*) were issued in 2022-23. In addition, 4,719 IRs were also issued for the units audited prior to 2022-23.

At the Union level, 81.50 *per cent* of the IRs were issued on time, i.e., within 30 days, while at the State level, the on-time performance was 66.91 *per cent*.

Inspection Reports	Inspection Reports issued for Units actually audited during the year	Inspection Reports issued for units audited prior to 2022-23	Total Inspection Reports issued during the year	Inspection Reports issued within 30 days	Percentage of Inspection Reports issued within 30 days
Union	8,043	2,050	10,093	8,226	81.50
States	14,045	2,669	16,714	11,184	66.91
<b>Total</b>	<b>22,088</b>	<b>4,719</b>	<b>26,807</b>	<b>19,410</b>	<b>72.41</b>

### 1.3.2.3 Audit observations reported in Compliance Audit Reports

Significant audit observations made during compliance audit are included in the Compliance Audit Reports of the CAG. A total of 1,543 audit observations (820 in the Union Audit Reports and 723 in the State Audit Reports) were included in the Audit Reports approved during 2022-23. Important topics for Standalone Compliance Audit Reports were 'Scheme for Integrated Textile Parks', 'Toll Operations of National Highways Authority of India in Southern India' and 'Departmental Trading Units including Supply Chain Management in Khadi and Village Industries Commission'.

At the Union level, 233 of the 820 audit observations were accepted and 66 were partially accepted by the audited entities. At the State level, of the 723 audit observations, 291 were accepted and 168 were partially accepted by the audited entities.

### 1.3.3 Performance Audits

As mentioned in Paragraph 1.2, the important topics taken up for audit were 'Solar Parks and Ultra Mega Solar Power Projects', 'Development of skill component of *Pradhan Mantri Kaushal Vikas Yojana*', '*Pradhan Mantri Awas Yojana (Grameen)*', 'Solid Waste management in ULBs', 'Building and Other Construction Workers' Welfare Cess' and 'Major and Minor Minerals'.

Further, some of the important topics for Performance Audit Reports were 'Role of Tea Board India in Development of Tea in India', 'Operational Performance of Hindustan Copper Limited', 'Implementation of Nagpur Metro Rail Project by Maharashtra Metro Rail Corporation Limited', 'Production of Small Arms in Ordnance Factories', 'Procurement and Supply of Drugs in CGHS',

'Outcomes of Surface Irrigation Projects in Bihar', 'Upgradation of Roads by PWD in West Bengal', 'Drinking Water Services in Himachal Pradesh', 'Functioning of the University of Kerala', 'Implementation of Border Area Development Programme (in Rajasthan)', 'Delivery of Public Services by Government of Maharashtra' and 'Construction of Major Bridges in Madhya Pradesh by Public Works Department'.

### 1.3.4 Audit Reports

Article 151 of the Constitution envisages that the CAG will prepare and submit reports to the President or the Governor for laying in the Parliament or the State Legislatures, as the case may be.

Between 2019-22, the CAG approved, on an average, 135 Audit Reports annually for laying in the Parliament/State Legislatures. During 2022-23, 172 Audit Reports were approved, of which 35 Reports were to be tabled in the Parliament and 137 in the State Legislatures. Out of 172 Audit Reports, 29 Union Audit Reports and 77 State Audit Reports were presented to the Parliament and the State Legislatures respectively, during 2022-23. Further, 17 Union Audit Reports and 60 State Audit Reports approved prior to April 2022 were also presented to the Parliament and State Legislatures respectively during 2022-23.

The Reports of the CAG, after they are tabled in the Parliament/State Legislatures, are placed in public domain at <https://cag.gov.in/en/audit-report>.

### 1.3.5 Impact of Audit

#### 1.3.5.1 Acceptance of Recommendations made by Audit

Between 2019-22, on an average, annually 616 out of 1,869 recommendations made in the approved Audit Reports were accepted by the audited entities.

The status of recommendations made in the 172 Audit Reports approved during 2022-23 was as under:

Audit Reports	No. of Audit Reports approved during the year	Recommendations made	Recommendations accepted
Union Government	35	509	91
State & Union Territory Governments	137	2,312	1,109
<b>Total</b>	<b>172</b>	<b>2,821</b>	<b>1,200</b>



Thus, 2,821 recommendations were made in the 172 Audit Reports approved during 2022-23, of which 1,200 recommendations were accepted by the audited entities.

### 1.3.5.2 Recoveries at the instance of Audit

Some of our audit observations pertain to underassessment of taxes or specific loss to the exchequer, necessitating recoveries from the concerned parties. Recoveries made at the instance of audit, during the year 2022-23, are indicated below:

(₹ in crore)

	Recoveries accepted	Recoveries effected
Union Government	25,275.65	1,391.89
State Government	22,584.00	3,645.46
<b>Total</b>	<b>47,859.65</b>	<b>5,037.35</b>

### 1.3.5.3 Impact of the Audit of Annual Accounts of PSUs

#### (i) Financial impact

In case of annual accounts of Government companies and corporations, we conduct supplementary audit, under section 143(6) of the Companies Act, 2013. Supplementary audit of accounts of 1,453 companies and corporations (both Union and States) was conducted during 2022-23 and the impact of these audits on the accounts was: (a) amendment to Notes to the Accounts: ₹1,66,399.70 crore (b) classification mistakes: ₹3,79,169.86 crore (c) changes in profit and loss: ₹38,340.44 crore and (d) changes in assets and liabilities: ₹1,13,565.50 crore.

#### (ii) Revision in the Statutory Auditor's Report

Based on audit enquiries/comments issued during certification audit for the year 2021-22, the Statutory Auditor's Reports were revised in case of **Bharat Dynamics Limited (BDL)**, **BEML Land Assets Ltd. (BLAL)**, **Mishra Dhatu Nigam Limited (MIDHANI)**, **Utkarsha Aluminium Dhatu Nigam Limited (UADNL)** and **Vignyan Industries Limited (VIL)**.

#### (iii) Changes in Accounting Policies/Notes to Accounts (CPSU)

Management Letters and audit observations issued in the course of supplementary audit had the following impact:

- Based on Management letter issued in February 2022, Accounting Policy in respect of Provisions for Contingent Assets was modified by **Engineers India Limited** in line with Ind AS 37.
- Based on the Management letter issued, **Stock Holding Corporation of India Limited**

**(SHCIL)** made the following changes in the Accounting Policy in its accounts of 2021-22

- o SHCIL incorporated in its significant accounting policies that depreciation has to be computed from the month of installation/ put to use.
- o SHCIL incorporated a significant accounting policy that assets individually costing ₹5000 or less each, purchased during the year to be written off fully.
- Based on the Management letter issued, **Mumbai Metro Rail Corporation Limited** in its accounts of 2021-22, made necessary disclosures regarding the lease liability for lease agreements with money value of upto ₹ One crore.
- Based on the Management letter issued, **New India Assurance Company Limited** in its accounts of 2021-22 amended the Accounting Policy to state that "Revenue in respect of AIF/Venture capital Fund is recognised on cash basis."
- Based on Audit Observation, **UBI Services Ltd.** disclosed its significant accounting policies in its revised financial statements of FY 2021-22.
- Based on Audit Observation, **NMDC Limited** in its accounts for the year 2021-22 included an accounting policy i.e. Spare parts, Standby equipment and Service equipment meeting the definition of PPE and having value of more than ₹20 lakh in each case are capitalised as and when available for use.
- Based on Audit Observation, **Nabsamruddhi Finance Limited** in the year 2021-22 included specific accounting policies with respect to (i) Income recognised by way of prepayment charges and (ii) Order of Appropriation of recovery of Non – Performing Assets.
- Based on Audit Observation, **BMRCL** during FY 2021-22 (i) revised its accounting policy on depreciation /amortisation including componentisation of spares and (ii) included a policy on Leases under its Significant Accounting Policy.
- Based on Audit Enquiry during FY 2021-22, **Bharat Dynamics Limited** have assured that disclosure of deferred revenue on customer provided assets as separate line item of revenue and disclosure of customer funded assets by way of a footnote under relevant notes to Balance sheet will be made in the accounts from FY 2022-23.
- **Bharat Electronics Limited** issued SOP for creation of provision for GST on the material lying with sub-contractors for more than one year.
- **KMRCL** in 2020-21 had adopted a policy to dispense with preparation of Profit and Loss account in view of its no-commercial activity. Based on the audit comment, the management restored the earlier practice to prepare the profit and loss statement from FY 2021-22.

#### (iv) Changes in Accounting Policies/Notes to Accounts (SPSU)

##### a) Haryana

Based on the Audit comment, **Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL)** has provided a detailed disclosure on actuarial valuation in Notes to Accounts annexed with its financial statements for the period 2021-22.

**b) Kerala**

Based on the Management letter issued, **State Farming Corporation of Kerala Limited** changed its accounting policy in 2022-23 in the matter of apportioning indirect expenses relating to replantation and other estate activities.

Currently indirect expenses of concerned estates which are related to replantation and other estate activities are apportioned in proportion to the area of replantation of a particular estate to total area of that estate only. However, earlier, these indirect expenses were apportioned in proportion to the area of replantation of a particular estate to total area of the company.

**1.3.5.4 Changes in Policies, Laws and Rules and Procedures at the instance of audit**

Some of the changes in the policies, laws, rules and procedures made by the Ministries/ Departments of the Union/State Governments based on our observations are as follows:

**Union Audit****(i) Commercial Audit**

Audit pointed out (**Inspection Report on International Centre for Automotive Technology, Manesar (2017-19) and Inspection Report on National Automotive Testing and R&D Infrastructure Project (2020-21)**) that ICAT, a unit of NATRIP had abolished grade pay system and had adopted a new running basic pay scale that followed the Central Dearness allowance pattern of 6<sup>th</sup> Pay Commission with additional performance linked variable pay (PLVP) without the approval of Ministry of Finance. At the instance of Audit, NATRIP issued orders in March 2022 to suspend PLVP in ICAT and directed to fix salary of staff as per 7<sup>th</sup> CPC w.e.f. April 2022.

**(ii) Defence Audit**

Audit pointed out (**Report No.15 of 2021: Performance Audit on 'Construction and Estate Management in DRDO'**) that in DRDO, two wings viz. Chief Construction Engineers (CCEs) (R&D) and Chief Engineers (CEs) (R&D) were executing works following different Rules and Regulations/ Schedule of Rates.

Based on the audit observations, these wings are now following the same schedule of rates. The R&D Construction Establishment Work Procedure of DRDO is also being updated incorporating the recommendations of Audit.

**(iii) Railway Audit**

- (a)** Based on Audit Observation (**Report No.19 of 2019**) on non-recovery of penal interest from nationalised banks for delayed payment of Licence Fee, Railway Board in April 2022 issued instructions to all Zonal Railways to incorporate penalty clause for delayed payments of licence fee in all the future agreements as well as the existing agreements at the time of their renewal for installation of ATMs at railway stations.

- (b) Audit pointed out (**Report No. 25 of 2022**) that South East Central Railway had awarded railway electrification works without ensuring progress of pre-requisite civil works. This resulted in short closure of two electrification works after incurring an expenditure of ₹9 crore on procurement of materials.

Railway Board in reply (February 2023) assured that a check list will be prepared and the same will be ensured before floating of future tenders.

- (c) Audit reported (**Report No. 19 of 2019**) that delay in completion of one out of two works awarded for Traction Sub Station (TSS) at Limkheda in Ratlam Division resulted in avoidable extra expenditure.

In order to take care of different factors affecting the progress of contractual work, the Railway Board has decided to construct TSS under EPC (Engineering Procurement and Contract) tenders or composite work tenders. Under this system all Electrical and Civil works are awarded under one work contract thus avoiding delays and have a single contract management.

## State Audit

### (i) Odisha

In the **Separate Audit Report of Lokayukta, Odisha for the year 2019-20** Audit had made suggestions to provide fund to Lokayukta through grants, as per section 42 of Lokayukta Act 2014 and to modify the format of Accounts or to amend the Lokayukta Act 2014. Accordingly, the Lokayukta Act 2014 was amended by Government of Odisha.

### (ii) Uttarakhand

Based on an Audit observation (Inspection Report), a new SOP with regard to preparation of Schedule of Rates (SOR) was issued in June 2022 to be implemented by all Engineering and Civil Departments for construction works.

### (iii) Himachal Pradesh

Audit reported (**Report for the year ended 31 March 2019 (Revenue Sector and PSUs) and Report for the year ended 31 March 2020 (Revenue Sector)**) Revenue loss due to submission of false distance affidavits by the purchasers. Himachal Pradesh Government issued notification in November 2021 mandating distance certificate be issued by the Village Revenue Officer to ascertain applicable circle rate in order to prevent such revenue loss.

### (iv) Haryana

Based on Audit observation (**Compliance Audit of Chief Information Technology Officer, Haryana Shehri Vikas Pradhikaran (HSVP)**), HSVP in 2022-23 modified its IT system for water and sewerage charges to comply with the enhanced charges. Notices for enhanced charges were issued. Overall impact of this correction was over ₹35 Crore.

**(v) Rajasthan**

Based on Audit observation (**Report No. 01 of the year 2023 Performance Audit of 'Implementation of Rights of Person with Disabilities Act, 2016'**), Directorate of Specially Abled Person, Government of Rajasthan increased the grant of mess expenditure of residential schools, hostels and rehabilitation homes run for specially abled persons from ₹2000 to ₹2500 per month per resident.

**(vi) Kerala**

Audit pointed out (**Report No.4 of 2021 (Economic Sector)**) undue benefits being given to the contractors due to non-recovery of differential cost of departmental bitumen from them. At the instance of Audit, Government of Kerala issued orders directing discontinuance of the provisions for allowing the price difference/recovery of the price reduction of bitumen with prospective effect for all future contracts.

**(vii) Karnataka**

Audit pointed out (**Inspection Report on BESCO Corporate Office for the period 2019-21**) that the Company was levying electricity tax on consumers falling under time-of-day tariff, based on the higher rates for peak period and at normal rate (without considering reduction in rate) for off peak period, which was not correct, since electricity tax is an ad valorem duty. Based on the audit observations, BESCO incorporated necessary changes in its billing software with effect from January 2022.

**(viii) Tamil Nadu**

Audit pointed out (**Inspection Report on Poempuhar Shipping Corporation**) undue benefit to the vessel owner to the extent of ₹5.33 crore on account of time savings and short collection of EMD. The Corporation improved its practices by increasing the EMD amount (₹10 lakh to ₹20 lakh) and deleting the clause causing additional expenditure.

**(ix) Telangana**

- a)** Based on Audit observations (**Report No. 1 of 2022**) on Off-Budget borrowings, Department of Expenditure, Ministry of Finance (Government of India) decided (March 2023) that Off-Budget Borrowings like borrowings by State Public Sector Companies, Special Purpose Vehicles and other equivalent instruments where principal and/or interest are to be serviced out of the state budget, have the effect of bypassing the Net Borrowing Ceiling of the state by routing loans outside state Budget through government owned companies/ statutory bodies despite being responsible for repayment of such loans. Such borrowings have impact on the revenue deficit and fiscal deficit and thus have the effect of surpassing the targets set for fiscal indicators under state FRBM Act. Any such Off Budget borrowing made by the state during the previous year i.e. 2020-21 and 2021-22 shall be adjusted.
- b)** Based on the Audit observation (**Report No. 4 of 2018**) on 'Follow up on Performance Audit of Functioning of State Disaster Response and Fire Services Department

(CAG Report on General & Social Sector for the year ended March 2017)', Government of Telangana has taken the following actions:

- Process of preparation of Standard Operating Procedures for combating fire in high rise buildings has been started.
- Very High Frequency sets for communication have been procured and supplied to all Fire Stations in the State.

**(x) Madhya Pradesh**

**a)** Audit pointed out **(Report No.3 of 2019)** illegal appointments to the posts of Assistant Grade-3 and Peon by Collector, Morena and Sheopur which had resulted in irregular expenditure of ₹76.12 lakh on account of pay and allowances. Based on Audit observation, the State Government directed the Principal Revenue Commissioner to cancel the appointments as the same were illegal and as per audit recommendation, all District Collectors had been directed to review cases of all such appointments made by Collectors in the districts.

**b) Based on the audit observations (Report No. 6 of 2021- PA Report on Dial 100 Emergency Response System)**

- Audit pointed out irregularities in selection of Project Management Consultant (PMC), the State Government in November 2022 intimated that the process of selection of PMC has been rectified.
- Based on audit observation and recommendation on dispatch of calls, the State Government in November 2022 intimated that a missed call desk has been set up in call centre and SOP has been prepared for its periodical review.

**c) Report No. 1 of 2021- General and Social Sectors**

- Based on Audit observation on non-disposal of redundant samples, the Commissioner, Food Safety issued orders to all the designated officers, prescribing the process of disposal of redundant samples, compliance of which will be ensured through inspection of district offices.
- Based on Audit observation on 'Issue of licence/ registration', Department of Public Health and Family Welfare intimated that FSSAI has provided a dashboard to know the district-wise and state-wise number of food traders, in which the information of food traders doing business in all the districts of the state including tehsil, etc. is available.

### 1.3.6 Follow Up on Audit Findings and Recommendations

ISSAI 10 prescribes that SAI should have independent procedures for follow up to ensure that audited entities properly address their observations and recommendations and that corrective actions are taken. Regulations on Audit and Accounts 2020 stipulate that the Secretary to Government of the concerned Department shall cause preparation of self-explanatory Action

Taken Note(s) on the audit paragraph(s) relating to his/her Department, that are included in the audit report, for submission to the Public Accounts Committee/Committee on Public Undertakings.

An Action Taken Note (ATN) states -

- Whether facts and figures in the audit report are acceptable;
- Whether circumstances in which the irregularity pointed out by audit occurred;
- Action taken to fix responsibility and likely timeframe for its completion;
- Current status of recovery;
- Action taken or proposed to be taken on suggestions and recommendations made by audit; and
- Remedial action taken or proposed to be taken to avoid recurrence of similar lapses in future.

During 2022-23, 3,985 ATNs were received from the Ministries/Departments of the Union (1,839 ATNs) and State Governments (2,146 ATNs) of which 3,721 ATNs (1,738 ATNs from Union Government and 1,983 ATNs from State Government) were vetted by offices of SAI India. 1,808 ATNs (1,102 ATNs from Union Government and 706 ATNs from State Government) were settled during the year. 10,998 ATNs (807 pertaining to Union Government and 10,191 pertaining to State Governments) were pending for settlement even after vetting at the end of March 2023. Further, 7,597 ATNs (Union Government- 812, State Governments- 6,785) were not submitted even once by the Governments, as on 31 March 2023. Consequently, Audit could not verify the remedial action taken or proposed to be taken to avoid recurrence of similar lapses in future.



# CHAPTER 2

## **Fulfilling our Accounts Mandate**



The duties and powers of the CAG, in relation to the accounts of the Union and States, are laid down in Article 149 of the Constitution of India read with Sections 10, 11 and 12 of the CAG's DPC Act, 1971. The CAG is responsible for compilation and preparation of accounts of State Governments (other than NCT of Delhi and Goa), maintenance of General Provident Fund (GPF) accounts in 20 States, authorisation of pension payments of State Government employees in 19 States, Gazetted Entitlement (GE) functions in nine States and cadre control of the Public Works Divisional Accountants in 18 States. Details are furnished in **Table II.2.1** at the end of this Chapter.

## 2.1 Performance related to Account's function

**2.1.1** State Principal Accountants General (PAsG)/Accountants General (AsG) (Accounts & Entitlement) prepare the Annual Finance and Appropriation Accounts of the respective States, which, after certification by Audit, are signed by the CAG for being laid in the State Legislatures.

**2.1.2** Besides the Annual Accounts, various MIS reports relating to Monthly Civil Accounts and Expenditure figures are provided to the State Governments regularly. Annual Accounts at a Glance are also prepared by PAsG/AsG Accounts & Entitlements (A&E) for forwarding to the State Governments which give a broad overview of Finance and Appropriation Accounts and also the fiscal indicators over a period of five years.

### 2.1.3 Timeliness of Accounts

#### i. Finance and Appropriation Accounts

The Finance and Appropriation Accounts of all the 28 States for 2021-22 were certified by December 2022, of which Accounts of 25 State Governments for 2021-22 were placed in the State Legislatures before or during Budget Session for 2023.

#### ii. Monthly Civil Accounts

301 accounts (83 *per cent*) out of 364 monthly<sup>2</sup> civil accounts of 28 States, were rendered by the A&E Offices on time during 2022-23. There were delays in rendering the remaining accounts, mainly due to late receipt of accounts from Treasuries/Divisions/other accounts rendering units of State Governments and in few cases, due to technical glitches at State Government's end.

#### iii. Joint Workshops with Synchronization Wing

For the first time, Joint Workshops were conducted by Government Accounts (GA) Wing and State Report Synchronization Wing for the A&E Offices and region-wise Audit Offices. Officers from Audit and Accounts verticals had attended these workshops, which were held during the months of July 2022 and August 2022, i.e. after closing of Annual Accounts 2021-22 of State Governments. The objectives of these workshops were to facilitate timely

<sup>2</sup> 28 States x 13 Accounts in a year including March (Supplementary) Accounts

preparation and certification of States' Annual Accounts, resolution of issues across the table, strengthening the audit processes for Financial Attest Audit and improvement in the quality of State Finance Audit Reports (SFARs).

This initiative was not only advantageous for the finalisation of Accounts 2021-22 of State Governments in time, but also helped in the laying of Annual Accounts 2021-22 of 25 State Governments in the State Legislatures before or during Budget Session 2023.

#### 2.1.4 Completeness of Accounts

The Monthly Civil Accounts rendered to the State Governments during 2022-23 were complete in all respects. No accounts were excluded in the States' Annual Finance Accounts 2021-22.

#### 2.1.5 Combined Finance and Revenue Accounts

The Combined Finance and Revenue Accounts (CFRA) of the Union and State Governments integrates important information pertaining to the accounts of the Union, Union Territories (UT) and all the States for a year, together with their balances and outstanding liabilities and other information as to the financial position. CFRA is published annually and is useful to several stakeholders as it consolidates the financial position of the Union and the States in one place.

The CFRA statements comprising three volumes are compiled by AG (A&E) Punjab and audited by the AG (A&E) Haryana. "Union and State Finances at a Glance" is prepared by GA Wing of CAG Office to complement the CFRA Statements.

The CFRA for 2020-21 was at an advanced stage of finalisation at the end of March 2023. The dashboard on the CAG website hosts CFRA data for a period of five years up to 2019-20 for the Union/States and UTs<sup>3</sup>.

#### 2.1.6 Development of VLC Dashboard

A dashboard is a very powerful tool for getting insightful data and centralizing the Key Performance Indicators (KPIs) in order to know what's really going on. A dashboard facilitates decision-making for its users by communicating or displaying information for a particular purpose for a particular period. Presently, data for last seven years (from 2015 onwards) have been collated for all States. The Dashboard is expected to be useful in:

- (i) Gathering assurance for Annual Accounts and financial audit by application of Dashboard through Data Extraction, Transforming & Loading.
- (ii) Making decisions based on facts and on current data.
- (iii) Understanding the flow of receipt, expenditure and loan transactions and application of similar metrics.
- (iv) Using the metrics to spot outliers.

<sup>3</sup> <https://cag.gov.in> → Account → Dashboard for Union and State Finances

Besides, financial audit, VLC Database Dashboard covers the requirements of Audit regarding preparation of Annual Audit Plan, Risk Analysis, conducting Scheme Audits and Voucher Data visualisation.

The pan India Dashboard of VLC data is in the final stages of finalisation.

### 2.1.7 Single Nodal Agency (SNA) through PFMS

A multi-stakeholder meeting in hybrid mode on accounting of transactions under SNA was held on 23 February 2023 in office of the CAG. Finance Secretary, Govt. of India, Additional Secretary (Public Finance – States, Govt. of India), Officers of Office of the CAG, Ministry of Finance, Office of the CGA, State PAsG /AsG, State Finance Departments and Offices participated in the meeting.

The multi-stakeholder meeting concluded with the following decisions:



Various stakeholders interacting during the meeting

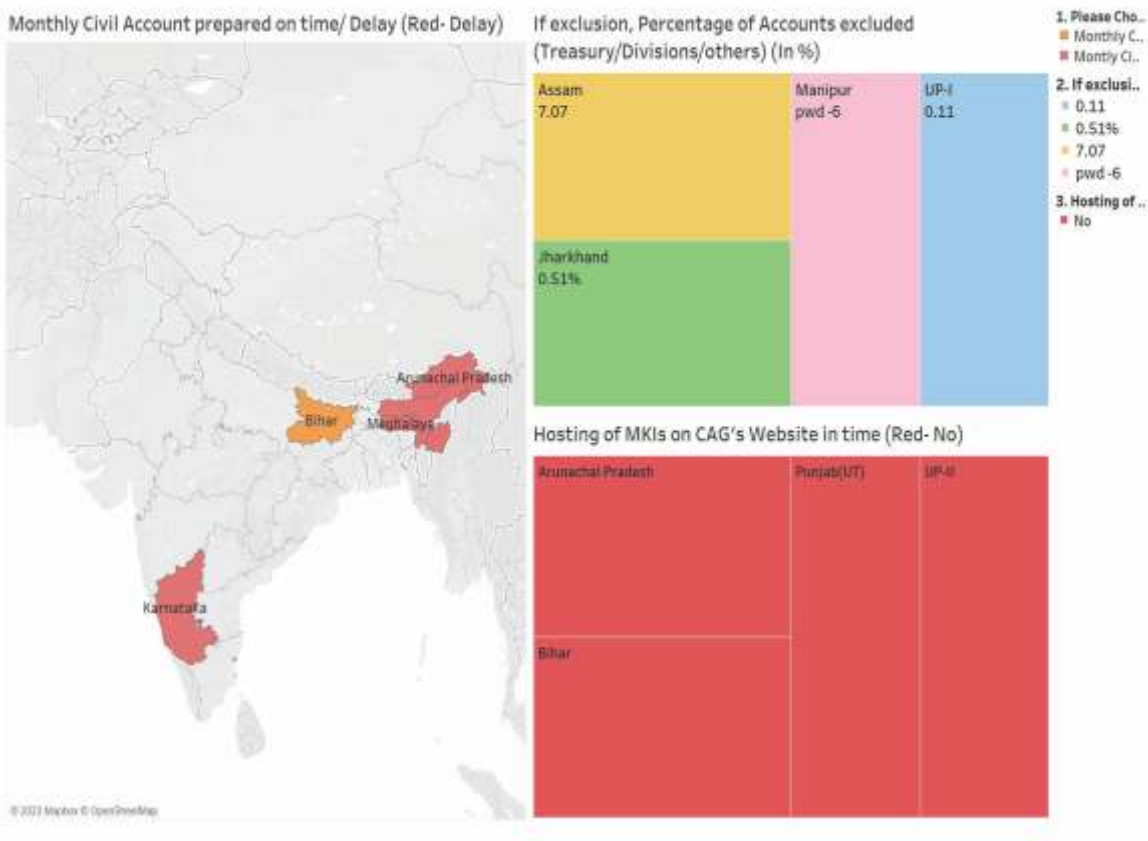
- (i) A working group comprising representatives of PFMS division, O/o CGA, MoF and O/o CAG should be constituted to examine the issues pointed out and discussed in the meeting.
- (ii) The working group will work out feasible details including accounting information, documents and procedures and other checks and controls required in the PFMS system or in the IFMS system integrated and working in Mode IV. The team will also suggest ways to integrate IFMIS, PFMS and the AG's VLC systems to ensure smooth flow of information.
- (iii) Access will be provided to all AG's offices to PFMS systems.

Working group Committee has been formed, and the meetings of Committee with States are underway.

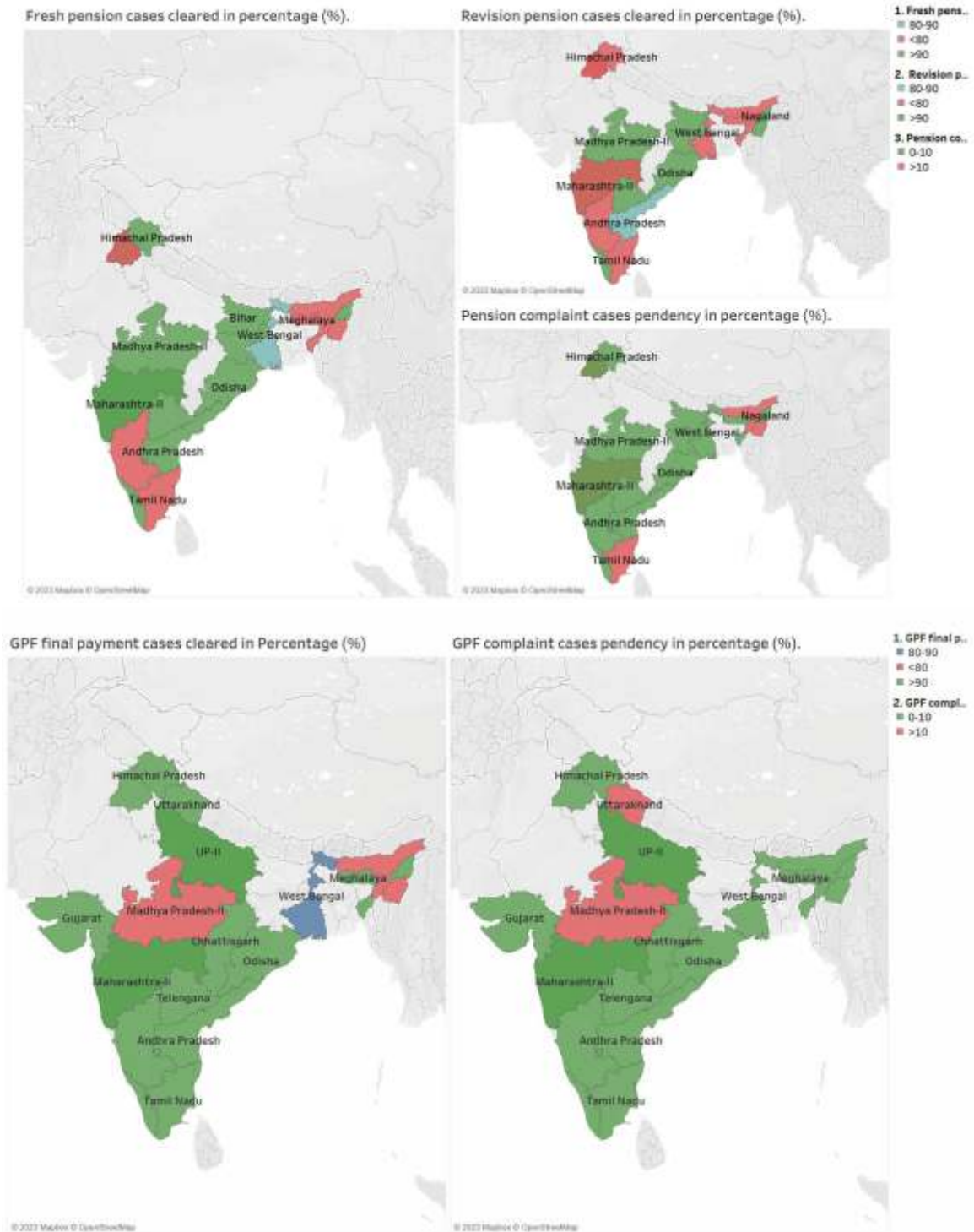
### 2.1.8 Monthly reporting and monitoring through Google Forms:

The Office of the CAG devised a system of checks and balances for offices in the form of Key Reporting Areas (KRA). KRA is compiled every quarter by the Field Offices and sent to Headquarters office for information. Keeping in view the volume of this quarterly report, and periodicity, GA wing introduced a simplified monthly online reporting system focused on key items without disrupting the existing quarterly KRA reporting. IT tools like Google Forms, SharePoint, WhatsApp, and Email were used for data collection, and Tableau for data analysis, enhancing efficiency and facilitating timely decisions in 31 offices across India.

The following pictorial graphs (with colour code) shows the assessment of different offices based on the questions contained in Google Forms viz. timely preparation of monthly civil accounts, percentage of exclusion of accounts and timely hosting of Monthly Key Indicators (MKIs) at CAG's Website. Similarly, timely finalisation of Original, Revision Pension Cases, GPF final authorisation cases and redressal of entitlement related complaints. For example, in the first map, Karnataka, Bihar, Arunachal and Meghalaya have closed the Monthly Civil Accounts (MCA) with slight delays. In the second picture, exclusion of accounts in MCA, have been shown. In the third picture, offices marked in green have cleared pension cases more than 90 *per cent*. Few offices in red such as Karnataka, Tamil Nadu etc., have cleared less than 80 *per cent* cases.







The purpose of the tool is to make data readily available for analysis and a focused approach to address the issues/areas in order to implement prompt reporting on Accounts and Entitlement functions on a monthly basis. A consolidated office-wise monthly reporting is submitted to Deputy Comptroller & Auditor General (GA and GASAB) by flagging specific issues, if any.

## 2.1.9 Treasury Inspections

PAsG/AsG (A&E), being the compilers of State Government Accounts, examine the internal control mechanism in Treasuries through Treasury Inspections. The objective of a treasury inspection is to seek an assurance that various checks and procedures prescribed for the preparation of initial accounts, payment of salary, pensions, etc., are being duly complied with by the treasuries. Treasuries in almost all the States are computerised.

During 2022-23, inspection of 2,207 treasuries/sub-treasuries were carried out against the total planned 2,270 treasuries/sub-treasuries. As a result of these inspections, 1,835 Inspection Reports were issued wherein 5,584 recommendations were made.

### 2.1.9.1 Results of treasury inspections

The treasury inspections during 2022-23 revealed a number of deviations relating to compliance with State's financial/entitlement rules, pointing towards fault lines in the internal control systems which impact the financial management of the States. A few instances are given below:

Sl. No.	States	Issues observed and highlighted
1.	Andhra Pradesh	Significant cases of double payments for Leave encashment, hired vehicle charges, GPF final withdrawal and non-recovery of commutation value of pension from pensioners.
2.	Chhattisgarh	Non-adjustment of pending temporary advance amount given by Assistant Commissioner, Tribal Development, Jagdalpur.
3.	Gujarat	Overpayment of pension amount worth ₹5.04 crore in seven Treasuries.
4.	Punjab	Overpayment of Leave Encashment and final payment made to the pensioners.
5.	Rajasthan	Irregularities in TDS, payment of pension and gratuity.
6.	Tamil Nadu	Non-deduction of Income Tax from outsourcing agencies.
7.	Telangana	Drawal of excess Pension, Dearness Relief and medical allowance to ineligible pensioners.
8.	Uttarakhand	Double payment of DCRG and commutation amount.

## 2.2 Performance with regard to Entitlement Functions

Across the board, A&E offices have made efforts to improve satisfaction levels of Pensioners, GPF Subscribers and Gazetted Entitlement officers by expediting disposal of final payment cases of GPF, authorisation of pension and issue of pay slips, etc., by streamlining entitlement functions and moving towards electronic data transfer. E-authorisation has reduced the time taken for disposal of

cases in some offices. All efforts were made to adhere to the timeframes for disposal of cases as laid down in the Citizens' Charter. Online complaint redressal mechanisms are functioning in most A&E offices.

### 2.2.1 Information related to Entitlement functions

Information relating to the status of pension, GPF and GE functions is available on the websites of respective AG offices and through SMS based services where details have been provided by the employees of the State Governments to the offices. This enables the concerned stakeholders and other visitors to view information uploaded on the respective State AG's websites and receive intimation through SMS as well.

### 2.2.2 Pension cases finalised

The function of pension authorisation is being carried out by 20 A&E offices. These offices finalised a total of 5,93,985 cases of Original and Pension Revision during 2022-23. The State-wise total pension cases received and finalised during 2022-23 are given in **Table II.2.2** at the end of the chapter. As per the Citizens' Charter, original pension cases are to be finalised within 30 working days from the receipt of the case complete in all respects in the AG office. The average time taken for finalisation of pension cases was within the prescribed timeline in Assam, Haryana, Jharkhand, Kerala, Maharashtra-II, Meghalaya, Nagaland, Punjab, Tamil Nadu and Tripura. In the remaining States, average time taken for the finalisation of Pension cases was more than 30 days mainly due to wanting information from the Departments concerned or other operational hindrances like shortage of manpower.

### 2.2.3 Maintenance of GPF Accounts

In 20 States, 22 A&E offices are responsible for the maintenance of GPF accounts of the State Government employees. These offices maintained 25,44,893 GPF accounts during 2022-23. Due to introduction of National Pension Scheme by the State Governments from 2004 onwards, there has been a reduction of 5.53 *per cent* subscribers (last year total number of subscribers were 26,93,856) in comparison to the previous year.

### 2.2.4 Finalisation of GPF Final Payment cases

During 2022-23, out of 2,03,628 cases due for final payment of GPF, the A&E Offices finalised 1,95,061 final payment cases (95.79 *per cent*) within the prescribed time limit. (one month from the date of receipt of a case complete in all respects).

No. of GPF final payment cases due in 2022-23	No. of final payment cases finalised
2,03,628	1,95,061

### 2.2.5 Proactive engagement with stakeholders

During 2022-23, various Adalats, workshops, and conferences were held in different states of India for pensioners and subscribers. These events aimed to address pensioners' grievances, provide pre-retirement counselling, and improve service delivery. Some instances include:

1. **Andhra Pradesh & Telangana:** 'Pension/GPF Adalat - PAG at your District' held in several districts.
2. **Jharkhand:** Annual workshops for District Treasury Officers and related officials in Dumka and Ranchi.
3. **Karnataka:** Pension Adalats conducted in 7 districts to assist pre-retirement counseling for State Government employees.
4. **Meghalaya:** GPF Adalat and Workshop on e-GPF and e-Pay slip Web-based Application for Drawing and Disbursing Officers.
5. **Maharashtra-II:** Pension Adalats held in Bhandara and Aurangabad for quick grievance redressal of pensioners.
6. **Maharashtra-I:** A DDOs Workshop-cum-Pension Adalat for the Department of Police was held in Mumbai, with 150 officials from 61 DDOs attending, and a pensioners' Adalat with around 500 pensioners also conducted on the same day, along with workshops in 11 districts.
7. **Odisha:** Several Pension Adalats and a Treasury Officers' Conference held to address grievances and improve engagement.
8. **Punjab:** Pension adalats held in coordination with Deputy Commissioners of districts, along with Pensioner Sewa camps.
9. **Tamil Nadu:** A workshop on pension proposals conducted for various departments in Chennai.
10. **Uttar Pradesh:** Treasury Workshops organised for Chief/Senior Treasury Officers and Drawing & Disbursing Officers.
11. **West Bengal:** Division-wise workshop cum sensitisation program for Treasury Officers and DDOs to address accounting issues.
12. **Madhya Pradesh:** GPF Adalats conducted in 8 divisions to resolve employees' GPF-related grievances.



Pension/GPF Adalat at Kurnool, conducted by Andhra Pradesh office



Pension/GPF Workshop at AP Secretariat, conducted by Andhra Pradesh office



Pension Adalat conducted in Kodagu /Kalyana Districts conducted by Karnataka office



Pension Adalat at Pay & Accounts Office, Mumbai



Workshop of DDOs of Police Department of Maharashtra





GPFF Adalats conducted by Madhya Pradesh Office

## 2.2.6 Web-based Grievance Redressal Mechanism in CAG's website

The SAI India has a centralised Web-based Grievance Redressal Mechanism for registering grievances online. GPFF subscribers/Pensioners can register complaints online or through e-mails to the concerned A&E office. All the links related to grievance redressal system are available on CAG's website<sup>4</sup>. On lodging the grievance, the system automatically generates a unique registration number of the grievance and sends an SMS to the complainant for future reference.

During 2022-23, total 1,916 grievances (offline and online) were received in the office of CAG from State pensioners/subscribers among which, 1,852 were redressed within the timeframe of the Citizens' Charter. The remaining grievances pending for disposal were within the prescribed period (30 working days) of Citizens' Charter. A report on grievances received and redressed is submitted to higher authorities on monthly and quarterly basis.

<sup>4</sup> <https://cag.gov.in/en/page-entitlement-grievance>



**Table II.2.1**  
**Functions with State Accountants General (A&E)**

Accounts	General Provident Fund	Pension	Gazetted Entitlement	Divisional Accountants cadre control
1. Andhra Pradesh	1. Andhra Pradesh	1. Andhra Pradesh	1. Assam	1. Arunachal Pradesh*
2. Assam	2. Assam	2. Assam	2. Bihar	2. Bihar
3. Arunachal Pradesh*	3. Chhattisgarh	3. Bihar	3. Jharkhand	3. Chhattisgarh
4. Bihar	4. Gujarat	4. Haryana	4. Karnataka	4. Gujarat
5. Chhattisgarh	5. Haryana	5. Himachal Pradesh	5. Kerala	5. Haryana
6. Gujarat	6. Himachal Pradesh	6. Jammu & Kashmir	6. Manipur	6. Himachal Pradesh
7. Haryana	7. Karnataka	7. Jharkhand	7. Meghalaya	7. Jharkhand
8. Himachal Pradesh	8. Kerala	8. Karnataka	8. Nagaland	8. Madhya Pradesh <sup>§</sup>
9. Jammu & Kashmir	9. Madhya Pradesh	9. Kerala	9. Tamil Nadu	9. Maharashtra <sup>§</sup>
10. Jharkhand	10. Maharashtra	10. Maharashtra		10. Manipur
11. Karnataka	11. Manipur	11. Manipur		11. Odisha
12. Kerala	12. Meghalaya	12. Meghalaya		12. Punjab
13. Madhya Pradesh <sup>§</sup>	13. Nagaland	13. Nagaland		13. Rajasthan
14. Maharashtra <sup>§</sup>	14. Odisha	14. Odisha		14. Tamil Nadu
15. Manipur	15. Tamil Nadu	15. Punjab		15. Tripura
16. Meghalaya	16. Telangana	16. Tamil Nadu		16. Uttar Pradesh <sup>§</sup>
17. Mizoram*	17. Tripura	17. Telangana		17. Uttarakhand
18. Nagaland	18. Uttar Pradesh	18. Tripura		18. West Bengal
19. Odisha	19. Uttarakhand	19. West Bengal		
20. Punjab	20. West Bengal			
21. Rajasthan				
22. Sikkim				
23. Tamil Nadu				
24. Telangana				
25. Tripura				
26. Uttar Pradesh <sup>§</sup>				
27. Uttarakhand				
28. West Bengal				

Note: \*These offices are composite offices for A&E and audit functions.

<sup>§</sup> Madhya Pradesh, Maharashtra and Uttar Pradesh have two A&E offices. AG (A&E)-II, Madhya Pradesh has only GPF functions.

**Table II.2.2**  
**State-wise finalisation of Original Pension cases and Revision of Pension cases during 2022-23**

Sl. No.	Offices	Original Pension		Revision of Pension	
		No. of cases received (including opening balance)	No. of cases settled	No. of cases received (including opening balance)	No. of cases settled
1	Andhra Pradesh	3,064	2,843	41,036	40,340
2	Assam	19,107	17,761	1,123	1,027
3	Bihar	25,304	23,792	49,380	46,922
4	Haryana	11,912	11,912	11,855	11,855
5	Himachal Pradesh	13,542	12,645	44,079	21,160
6	Jammu & Kashmir	13,774	13,643	28,215	28,148
7	Jharkhand	8,835	8,391	18,336	14,610
8	Karnataka	24,727	23,591	12,791	11,583
9	Kerala	23,509	23,254	16,607	15,143
10	Maharashtra-I	31,514	31,514	31,737	29,620
11	Maharashtra-II	19,703	19,703	11,346	11,346
12	Manipur	4,190	3,916	2,279	2,172
13	Meghalaya	2,928	2,749	331	316
14	Nagaland	5,323	5,259	4,452	4,452
15	Odisha	14,048	13,300	3,868	3,734
16	Punjab	19,022	18,997	64,644	45,977
17	Tamil Nadu	23,862	22,365	7,966	7,589
18	Telangana	1,672	1,606	3,347	3,228
19	Tripura	5,528	5,065	199	159
20	West Bengal	22,092	19,733	12,831	12,565
<b>Total</b>		<b>2,93,656</b>	<b>2,82,039</b>	<b>3,66,422</b>	<b>3,11,946</b>
<b>Total cases received (Original Pension cases and Revision pension cases)</b>		<b>6,60,078</b>			
<b>Total cases settled</b>		<b>5,93,985</b>			



## Section-3

### Recent strides

- ◆ **Chapter 1**  
Development of Guidances
- ◆ **Chapter 2**  
Capacity Building
- ◆ **Chapter 3**  
Internal Controls and  
Quality Assessment
- ◆ **Chapter 4**  
Our IT initiatives
- ◆ **Chapter 5**  
Audit Diwas 2022
- ◆ **Chapter 6**  
30<sup>th</sup> Accountants General  
Conference
- ◆ **Chapter 7**  
Other activities, no less important



Statue of Sardar Vallabh Bhai Patel in the CAG office premises

# CHAPTER 1

## Development of Guidances







Professional Standards are the edifice to quality accounting and auditing. We are conscious of the significance of Professional Standards and Practices both for Government Auditors and Accountants. These provide guidance to be followed under diverse situations by all the practitioners and serve as benchmarks for the quality control and quality assurance processes. Auditing Standards of SAI India envisage that the SAI should have an appropriate quality assurance system in place.

## 1.1 Government Accounting Standards Advisory Board (GASAB)

The CAG, in consultation with Government of India, constituted the Government Accounting Standards Advisory Board (GASAB) in August 2002. GASAB's mission is to formulate and recommend accounting standards with a view to improve governmental accounting and financial reporting to enhance public accountability and quality of decision making. The new priorities focus on good governance, fiscal prudence, efficiency and transparency in public spending.

GASAB consists of 15 members with high level representation from the Government (Union and State), professional accounting institutes, Reserve Bank of India and Academia.

GASAB develops two kinds of standards:

- (i) Indian Government Accounting Standards (IGAS) based on cash based accounting system which are mandatory for application by Union, States and the Union Territories with legislature from the date of notification by the Government; and
- (ii) Indian Government Financial Reporting Standards (IGFRS) based on accrual based accounting systems which are recommendatory. These were developed as there was a need for accounting framework and accounting standards on accrual basis to facilitate pilot studies and research efforts on migration to accrual accounting at Union and State level.

These standards, developed in consultation with stakeholders, are forwarded to Ministry of Finance (MOF) for notification in accordance with Article 150 of the Constitution of India, which specifies that the accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor General of India, prescribe.

### 1.1.1 Accounting Standards notified by the Government of India

- IGAS 1: Guarantees given by Governments: Disclosure Requirements
- IGAS 2: Accounting and Classification of Grants-in-aid
- IGAS 3: Accounting of Loans and Advances
- IGAS 4: Prior Period Adjustments

## 1.2 Progress on Accounting Standards/ Disclosure Statements during 2022-23

### 1.2.1 36<sup>th</sup> meeting of GASAB

In post-pandemic recovery period, the 36<sup>th</sup> meeting of Government Accounting Standards Advisory Board was organised on 29 June 2022. The meeting of Board was inaugurated by the Comptroller & Auditor General of India, Shri Girish Chandra Murmu.

CAG in his speech emphasised the importance of coordination and cooperation amongst the members of the Board to improve the financial reporting of the Government accounts. CAG stated that Government accounting in India largely follows Cash Basis accounting whereas in international scenario, accounting in some countries is in transformative phase of accrual accounting and some countries have already adopted and implemented full-fledged Accrual Accounting. The standards developed by the Board should aim to be IPSAS (International Public Sector Accounting Standards) Cash Basis compliant which is a transitory phase and stepping stone towards move to Accrual accounting in due course.



CAG with the members participating in the 36<sup>th</sup> Board meeting of GASAB

The points of deliberations in the meeting along with the latest status are mentioned below:

#### 1.2.1.1 Approval of 'Prior Period Adjustment' by Board & Notification by Ministry of Finance:

In the meeting, GASAB was informed about the adoption of IPSAS based standards which will enable the country to be compliant with internationally accepted accounting practices as well as the progress so far made on each standards. Draft standard on 'Prior Period Adjustment' was approved. **This Standard has been notified by MoF on 2 March 2023.** This Standard will not only help us in moving towards IPSAS cash basis compliant statements but will also go a long way towards shifting from rule based accounting to standard based accounting in tune with Internationally accepted best accounting and financial reporting practices.

The new approach in the drafting and finalisation of the Standards has resulted in:

- Making the standards principle based and detailing the implementation strategy separately so that the system is flexible enough to meet operational requirements.
- Involving all stakeholders especially Controller General of Accounts office at every stage and working in close coordination with them.
- Holding regular meetings so that all inputs received from stakeholders can be considered and introduced in the Standards.
- Conducting Pilot studies in States and testing the adeptness of the Standard by using accounting entries before finalisation of Formats for the standard.

These measures have culminated in Notification of the Standard on Prior Period Adjustments on 2 March 2023.

### 1.2.1.2 Revision of Due Process

The functioning of GASAB had hitherto been guided by the 'Rules of Business' framed in the year 2011. However, to streamline and codify the functions of GASAB to make them more focused, robust and inclusive, the 'Due Process of GASAB' indicating the vision, mission, objectives of GASAB, roles and responsibilities of the Stakeholders, processes involved in formulation of Standards, structure of Standards etc. was revised in August 2020.

The revised 'Due Process' was shared with the Board Members and discussed in a virtual meeting in February 2022. Based on the discussions, the revised document was placed in the Board Meeting in June 2022. Comments/suggestions of members emanating from the meeting were incorporated and the final document was sent to the Ministry of Finance for their agreement. This was further discussed in the Core Committee Meeting held in February 2023. The Due Process is in the final stage and awaiting concurrence of MoF for printing/placement on the website of GASAB.

One major decision has been to constitute a core group which can finalise the topics on which standards/ guidance notes need to be made in line with priorities of GOI and which will give due consideration to implementation difficulties, if any.

### 1.2.1.3 Adoption of Cash Basis IPSAS in India

International Public Sector Accounting Standards (IPSAS) are the principal set of standards governing financial reporting by public bodies. Gap analysis study between the State Finance Accounts and Cash based IPSAS statements carried out by the IMF-SARTTAC indicated that the State Finance Accounts are largely IPSAS compliant. The IMF-SARTTAC suggested models as well as those applied by the neighbouring countries like Bhutan, Nepal and Sri Lanka were analysed and successfully piloted in three States- Karnataka, Rajasthan and West Bengal. The pilot study reports have been forwarded to the Government Accounts Wing for replicating in all States from accounting year 2022-23 onwards, on experiment basis.

**The Board was informed that based on the encouraging results and GASAB's proposal, CAG of India has agreed in principle for the adaption/adoption of Cash Based IPSAS in the country in phased-manner in a timeframe of three years.**

#### **1.2.1.4 Preparation of IPSAS cash basis compliant financial statements**

GASAB, in collaboration with the Institute of Chartered Accountants of India (ICAI), has identified the following topics for preparation of IPSAS cash basis compliant statements:

- (i) Contingent Liabilities;
- (ii) Recognition of Revenue Receipts;
- (iii) Recipients of External Assistance

Preparation of three draft Standards has been completed and pilot studies have been conducted. On the basis of the results of these pilot studies, the documents were revised and forwarded to Technical Advisors (TAs) for their comments/suggestions.

The final document on Recognition of Revenue Receipts has been prepared on the basis of comments/suggestions of the TAs during multiple rounds of journeys, and circulated to the Board Members in February 2023.

#### **1.2.1.5 Strategic Development Plan (SDP)**

SDP is a rolling plan prepared for a period of three years out of which Annual work plan for GASAB is prepared. SDP is prepared identifying subjects for formulation of Government Accounting Standards, keeping in view the priority areas, with a view to improve government accounting and financial reporting.

The new topics as proposed by the members were presented to the Board. The Core Committee was introduced as per the decision of the Board to finalise the areas on which Standards are required. The topics prioritised by the Committee are to be approved by the Board and SDP is to be operationalised through annual action plans.

The Core Committee was constituted under Additional Deputy Comptroller and Auditor General (GASAB) as its Chairperson. The meeting was held on 15 February 2023 wherein new topics were discussed and finalised for prioritisation in SDP.

#### **1.2.2 Other Standards**

##### **1.2.2.1 Draft Standard on Reserve Funds**

Reserve Funds are accumulations of funds created for specific purpose for the future and are non-lapsable. Presently, Reserve Funds suffer from various issues which include non-transfer/Short-Transfer of money into these funds, diversion of funds for purposes other than the designated purpose etc.

The objective of this standard is to provide guidance on the manner in which the accounting of reserve fund is to be carried out and its financial reporting so that the information on the quantum of balances under the funds, transfer of monies into the reserve funds, expenditure sourced from funds are disclosed properly. The purpose is to ensure whether the funds have been utilised for the purpose for which they were created.

The Draft Standard received from CGA in November 2022 was reviewed and discussed with Additional CGA and Joint CGA in January 2023. During the deliberations, besides implementation part on the Draft Standard other issues were also discussed viz. Green Bonds and creation of Reserve funds.

The revised draft was forwarded by CGA in February 2023 and has been shared with MoF and sent to GA Wing for vetting/review.

#### 1.2.2.2 Review of Standards sent for Notification but are yet to be notified

The Modified Standards viz. **IGAS 2: Accounting of Grant-in-Aid** and **IGAS 3: Accounting of Loans and Advances** were forwarded to Ministry of Finance for finalising the notification in June 2019. The related documents are being reviewed again in consultation with CGA for further revision.

SAI, India had proposed to review the existing pronouncements every three years to update, modify, keep the pronouncements current and reflect the changes in the government accounting environment. In view of the time gap since the draft Standards were sent to MoF and subsequent pendency of these Standards for the purpose of notification, it was decided to *suo motu* revise the following Standards and Guidance Note:

- i. Foreign Currency transactions and loss or gain by Exchange Rate Variations
- ii. Government Investments in Equity/ Disinvestment of Public Assets
- iii. Public Debt and Other Liabilities of Governments.
- iv. Guidance Note on accounting of fixed assets

The draft Standard on Government Investments in Equity was completely revised based on the replies/comments of the stakeholders and renamed as 'disinvestment of public assets'. The revised draft Standard has been circulated to the TAs and based on their comments/suggestions, the draft Standard has been updated and circulated to the Board Members for comments/suggestions. Based on the comments of the Members, the draft Standard shall be placed before the next Board Meeting for discussion and further action.

The revised drafts in respect of other Standards mentioned above have been completed during the year as per the target and circulated among the members for vetting and comments/suggestions. These are being followed up for further revision and finalisation.

### 1.3 Natural Resource Accounting (NRA) in India: An overview and achievements of the Project

India is a signatory to the Sustainable Development Goals (SDGs) 2030. In order to achieve the targets set, a Concept Paper on NRA was prepared by GASAB (July 2020) in accordance with the requirements of System of Environmental-Economic Accounting – Central Framework mandated by United Nations. This paper laid down a three-tier action plan namely short, medium and long term goals to converge with the targets of the SDGs, 2030. While priority was given to preparation of Asset Accounts on mineral and energy resources because of their finiteness and effects on climate change, the paper listed other resources like water, forestry & wildlife and land resources as well.

The initiatives and endeavour of GASAB in implementing NRA is depicted through the block diagram below.





These are discussed as under:

**Continuous brainstorming - Consultative Committee and State NRA Cells:** Central and State level NRA Cells were formed with stakeholders comprising Ministries in GoI/State Governments, regulatory agencies, knowledge centres and academia. The expertise of these specialists were of great advantage as GASAB collaborated with the State Governments through the Accountants General (AsG) Offices in States while preparing the templates of Asset Accounts on Mineral and Energy Resources in which data is to be captured.

**Constant follow up and handholding:** Since October 2021, monthly meetings with all 28 States, UT of J&K and NCT of Delhi were held to monitor the progress of work, exchange thoughts, challenges and good practices to ensure that all the States are together in completing this time-bound exercise.

**Guidelines/SOPs/Advisories:** To assist the States/UTs in filling up the templates, GASAB brought out Guidelines and Standard Operating Procedures (SOPs) in December 2021. GASAB had also issued a number of advisories facilitating to ease the process of preparation of the Asset Accounts.

**Training and capacity building:** In addition to the above, GASAB had arranged for training programmes and capacity building of Officers and staff not only in AsG Offices but also in the State Government Departments. Seven State specific workshops in Gujarat, Rajasthan, Punjab, J&K, Jharkhand, Karnataka, and Himachal Pradesh were held to convey the idea of NRA, discuss the issues and challenges, innovations, good practices – which were largely successful with full cooperation from the States.

**The National Compendium of Asset Accounts on Mineral and Energy Resources:** Based on the Asset Accounts prepared in 28 States and UT of Jammu and Kashmir, GASAB has prepared a national compendium consisting of 107 major/minor minerals and fossil fuels in these States which was released by Hon'ble Minister of State for Parliamentary Affairs, Coal and Mines and CAG of India on 20 October 2022. The Hon'ble Minister in his speech congratulated the CAG's institution for bringing out first such compilation of minerals in the country and dedicated the document to the nation on the auspicious occasion of its 75<sup>th</sup> Anniversary- *Azadi ka Amrit Mahotsav* and said that it is the most authentic document on mineral and energy resources which will directly contribute to their better management.



Compendium of Assets Accounts on Mineral and Energy Resources was released on 20 October 2022 by Hon'ble Minister of Parliamentary Affairs, Coal and Mines, Shri Pralhad Joshi in the presence of CAG of India and other dignitaries

Besides the compilation of the Asset Accounts, the Compendium included good practices, innovations in the States and observations emerging from the study. Besides, GASAB has incorporated a three-pronged suggestive measures in Chapter VII of the Compendium segregated into three sections to provide insights to the States in assisting them in managing the resources towards optimum revenue realisations and restricting the wastage/pilferage of mineral resources.

**Section A** discusses about the possible initiatives that could improve the systems and procedures already in place in management of mineral and energy resources in the ministries and the states.

**Section B** includes application to capture end-to-end data on all facets of the mining operations and operationalisation of a quarterly reporting framework to systemise uniform periodic reporting mechanism from the district level offices till the Directorates for effective monitoring and also compilation of the Asset Accounts for the future.

**Section C** brings out an ambitious plan to map the supply and usage/sale/export of resources for better management of resources by ensuring best possible control and monitoring processes to minimise the scope for illegal/unscientific mining to help in optimisation of the revenue streams for the State exchequers and sustainability of resources for the future generations.

**Ambitious plan of mapping the supply and usage of resources:** GASAB's idea of implementing NRA in India and making a fool-proof system of management of resources across the country, inter-alia, included an ambitious plan of mapping the supply and usage of resources or 360 degree profiling of the mineral resources in the country.

**Accounting for Environmental Damages:** Parallel to the endeavour mentioned above, GASAB has also outlined the accounting of environmental damages which is another requirement to attain the targets set by the System of Environmental-Economic Accounting (SEEA) framework. The outline is being piloted in five States- Assam, Gujarat, Odisha, Tamil Nadu and Telangana and is also expected to be replicated in the remaining States during 2023-24.

**A well-documented webpage:** For dissemination of the progresses made on implementation of NRA, a link titled 'NRA' is included in the GASAB website and linked to the website of CAG as well. All information on progresses made, minutes of meetings, status of work, copies of Guidelines/SoPs etc. are uploaded on real-time basis for public information and inputs, if any.

**Outcome of the Project:** Asset Accounts are important for the States as repository of vital information on their resource bases, future streams of revenue and for identification of alternate clean energy resources. For the country, the implementation of Asset Accounts on mineral and energy resources would enable India to enter the group of elite countries which generate annual Asset Accounts on natural resources, both in physical and monetary terms - Nationally and State-wise.

Secondly, by preparing the Asset Accounts on the vulnerable resources, GASAB has enabled India to get enlisted in the elite list of countries where NRA is generated annually.

Thirdly, GASAB has also included observations made during the course of the study carried out in the States which are included in Chapters IV and VI. These include variations between the royalties and market values, sustainability of resources, deficiencies in assessment and collection of district mineral foundation, non-reporting of grade-wise production of resources enabling scope for leakage of revenue, absence of proper monitoring on illegal mining, absence of geo-tagging and geo-fencing etc. which has the potential of generating specific audits like PAs/TAs in States.

#### 1.4 Audit methodology and guidance

The mandate of the Professional Practices Group (PPG) includes development, dissemination and implementation of new audit methodologies and it serves as an advisory wing for technical issues relating to audit procedures and processes. PPG adopts a consultative approach before putting in place a new procedure or initiative as also whilst revising existing procedures. PPG also provides professional inputs to national and international professional organisation on development of new audit practices as well as their internalisation of best practices within the Department by issue of new guidelines and practice notes.

During the year clarifications on existing procedures and processes associated with Compliance Audit, Financial Audit and Performance Audit were issued covering matters such as interaction with stakeholders; drafting and reporting; interaction with Parliament/ Legislature; General Purpose Financial Reports for PSUs/ PSEs etc. The *Shaili Margdarshika* – Hindi Style Guide was published to incorporate general advice on good writing; conventions to be followed for drafting Audit Reports; grammatical peculiarities and nuances in drafting reports in Hindi; usage of dictionary, etc.

## 1.5 Guidance issued for audit of Local Bodies

Following guidance were issued during 2022-23 regarding audit of Local Bodies :

- (1) Guidance was issued in July 2022 for conducting Function-based audit as primary focus in District Centric Audits, to assess service delivery by Local Bodies (LBs) for the functions devolved to them, along with revised template for District Inspection Reports (DIRs). This was followed up with guidance/ ideas for preparation of issue analysis for Function-based audit (December 2022).
- (2) A 'TGS Practice Guide' containing a detailed framework for planning and conduct of Technical Guidance and Support by the field offices leading to generation of the Annual Technical Inspection Reports (ATIR) in revised format was issued in December 2022.
- (3) A Guidance was issued in December 2022 for special focus on audit of Municipal Corporations by the field audit offices.
- (4) Guidance was issued in February 2023 for preparation of two separate reports as an outcome of Audit of Local Bodies i.e. the CAG's Local Bodies Audit Report capturing the results of audit conducted by the IA&AD as per the CAG's DPC Act, and preparation of ATIR capturing the activities and result of the Technical Guidance and Support activity.

## 1.6 Compendium of New Initiatives and Good Practices in the CAG's organisation

The second edition of '**The Catalysts....in pursuit of Good Governance**' - a Compendium of new initiatives and good practices in the CAG's organisation, was released by the CAG on 'Audit Diwas' – 16 November 2022. The Compendium released in both Hindi and English, is a compilation of new initiatives and best practices in Field Offices and Functional Wings under the CAG. The initiatives cover a wide range of activities, such as use of technology in audit, business process improvements, capacity building, and impactful audits conducted during the year. The compendium showcases the efforts of our Institution to constantly innovate and improve our standards of auditing and accounting to deliver better value to our stakeholders.

# CHAPTER 2

## Capacity Building





## 2.1 Introduction

SAI India strives to constantly upgrade its professional skills and expertise through a robust system of capacity building cutting across its personnel. The training strategy is oriented towards supporting and strengthening the personnel in the performance of their roles and creating value through intensive training and knowledge sharing to fulfil the mission **"To enhance professional and institutional development"**.

## 2.2 Capacity Building in SAI India

The objectives of SAI India with respect to Capacity building are:

- Improving domain knowledge and its translation into training material
- Sharing of knowledge and information
- Improving teaching and learning environment
- Improving learning outcomes

## 2.3 Training Methodology and Processes

- i. **Central Training Advisory Committee (CTAC)** annually reviews all training activities and programmes in SAI India to ensure focus, quality and relevance. CTAC also oversees the work of Regional Advisory Committees of the Regional Training Institutes. The 47<sup>th</sup> CTAC meeting, chaired by Deputy CAG (HR, IR & Coord.) was held in March 2023 in CAG's office.
- ii. **Conclave of the Heads of RTIs/RTCs:** The Conclave of the Heads of RTIs/RTCs is convened to present a forum to share their expertise and good practices with their peers. The 5<sup>th</sup> Conclave of Heads of RTIs/RTCs was held in March 2023 in CAG's office. The Conclave was inaugurated by the CAG of India and chaired by the Deputy CAG (HR, IR & Coord.).



CAG inaugurating the Conclave



CAG, Deputy CAG (HR, IR & Coord.), DG (Training) and the Heads of RTIs/RTCs

**iii. Training Needs Analysis** is the first step towards a methodical approach to training and is carried out annually for effective designing of courses, implementation & evaluation of training.

**iv. Structured Training Module** is a compact package of material and references for successfully organising a training course. It includes reading material for the participants besides guiding papers, background documents and notes to facilitate the work of an instructor. The contents for training modules are developed by a team of officers who are subject matter experts.

As on 31 March 2023, 74 STMs have been developed, peer reviewed and disseminated to RTIs/RTCs for training purposes. The following STMs were developed during 2022-23:

- Government Accounting Standards Advisory Board (GASAB)
- Various Entitlements admissible to a Government Servant
- Using PostgreSQL as Computer Assisted Audit Technique (CAAT)
- Legislative Framework and Accountant Framework of *Panchayati Raj* Institutions (updated)
- IT Security & Cyber Law
- Data Security -Privacy and Protection
- IT Security issues - Network Security & Assessment
- Audit of Port Trusts
- Preparation of Finance and Appropriation Accounts (Updated)

## v. Development of Case Studies/Research Papers

Case studies are powerful and practical tools for adult pedagogy. The case study method creates a classroom in which students learn not by simply absorbing facts and theories, but also by exercising the skills of analysis, synthesis, leadership and team work in the face of real issues.

As on 31 March 2023, 39 Case Studies have been developed, peer reviewed and disseminated to RTIs/RTCs for training purposes. Following case studies were developed during 2022-23:

- Bio- Medical Waste Management in West Bengal
- Data Assurance and Analytics tools
- Misclassification of expenditure: Capital to Revenue and vice-versa
- Approval of Building Plan by PRIs
- Comment on financial statements of Maharashtra State Electricity Distribution Company Limited for 2017-18
- Applicability of the Principles of Revenue Recognition enshrined in IND AS 115
- Accounting of Higher Education Financing Agency (HEFA) Loan in the Financial Statements
- Access to records of private partner in a Public-Private Partnership (PPP) arrangement – Mandate and Scope of Audit
- Avoidable expenditure and excess procurement of desk-cum-benches
- Short levy of Stamp Duty.

The Comptroller and Auditor General of India released the maiden issue of 'Compendium of Case Studies' compiled by the Training Division on the occasion of Audit Diwas 2022. The compendium is available on SAI Training Portal for all the users of the department.

## 2.4 Training at Institutes of SAI India

The training infrastructure of SAI India comprises three Central Training Institutes, ten Regional Training Institutes and two Regional Training Centres.

### 2.4.1 Trainings at Central Training Institutes

#### 2.4.1.1 National Academy of Audit and Accounts (NAAA)

During 2022-23, NAAA conducted various phases of induction training programme for Officer Trainees of 2020, 2021 and 2022 batches in which 53 Officer Trainees of IA&AS, six officers from Royal Audit Authority of Bhutan and two officers from SAI, Maldives had undergone/been undergoing training at the Academy. 20 IA&AS Officer Trainees of 2020 batch successfully completed their training at the Academy in September 2022 and 16 IA&AS Officer Trainees of 2021 batch who have completed their Phase-I training at the Academy are currently in field offices for their On-the-Job Training. 17 IA&AS Officer Trainees of 2022 Batch and two officers each from

Royal Audit Authority, Bhutan and SAI Maldives have joined their Induction Training at the Academy in December 2022 and were undergoing their Phase-I training at the Academy.

One of the major objectives of the Academy is to help the Officer Trainees in acquiring professional knowledge and competence as Civil Servants, through in house training, extra-curricular and social activities. Inputs for professional knowledge are imparted through an interactive classroom environment; practical sessions on the working of different organisations through study tours and lecture series by eminent personalities from various walks of life.

During the year 2022-23, the Academy conducted two lectures under 'Pragyan' Lecture series by eminent personalities. First lecture was delivered by Prof. Remesh Chand, Member NITI Aayog on "Issues, Challenges and Way Forward for Indian Agriculture", on 21 April 2022 and Dr. V Anantha Nageswaran, Chief Economic Advisor of India delivered the second lecture on "Confluence of Economics and Public Accountability" on 13 August 2022.

Besides Induction Training of IA&AS Officer Trainees, the Academy conducts Executive Development Programmes for serving IA&AS officers and Audit & Accounts Sensitisation courses for Officer Trainees of other Central Services and officers of Indian Army. During 2022-23, 13 in-service courses including two workshops were conducted at the Academy, in which 296 officers participated.

#### 2.4.1.2 International Centre for Information Systems and Audit (iCISA)

The International Centre for Information Systems and Audit (iCISA), Noida is the premier training institute of SAI India which deals in capacity building of auditors across the globe primarily in areas related to IS Audit and Data Analytics. iCISA was set-up for Information Systems and Information Technology Audit in March 2002 to design frontline audit products and conduct high quality, skill-developing training programmes for national and international participants, using the latest pedagogy and training tools. iCISA uses rich talent pool available in India in cutting edge IS technologies to design and deliver relevant training programmes in diverse fields. iCISA trained 5,080 participants from 150 countries in various International Training Programs till 31 March 2023.

During the year 2022-23, apart from conducting international training programmes<sup>1</sup> (ITPs), iCISA conducted 16 National Training Programmes (including seven for departments other than IA&AD) which were attended by 398 participants (including 167 from other departments) in the areas of Information Systems, Data Analytics and other audits.

iCISA publishes a bi-annual e-Journal-PursuIT, which is circulated to all field offices and hosted on the iCISA website. iCISA has also developed a toolkit for collecting details of IT Applications used by audited entities, which has been shared with all field audit offices. Further iCISA has been

<sup>1</sup> Also refer Section 5 Chapter 5

contributing to capacity building by developing various e-Learning Modules. An e-Learning module on "Prevention of Sexual Harassment of Women at Workplace" has been developed by iCISA and hosted on the SAI Training portal.

#### **2.4.1.3 International Centre for Environment Audit & Sustainable Development (iCED)**

iCED was set up in 2013 for capacity building and knowledge sharing in the area of Environmental Audit. iCED is uniquely dedicated to the area of Environment Audit and Sustainable Development and seeks to harness India's expertise in conducting environmental audits over the years. iCED is also a designated Global Training Facility (GTF) of the Working Group on Environmental Audit, and the Working Group on Extractive Industries (since August 2016) of International Organization of Supreme Audit Institutions (INTOSAI).

During the year 2022-23, 23 capacity-building and knowledge-sharing programmes were organised by iCED. Of these, nine were National Training Programmes, four National Workshops/Regional Seminars, four training for trainer's programmes, and six International Training Programmes. Four programmes were conducted in online mode and 19 were conducted in offline mode. A total of 423 participants (179 international participants and 244 national participants) attended these programmes.

iCED has a vibrant in-house research programme, in collaboration with leading academic institutions like TERI (The Energy and Resources Institute) to bring out quality research projects dovetailed to SAI India's Environment Audit processes.

iCED releases a quarterly newsletter "Green Files" by combining inputs from various Environmental Audit reports and other related content which is greatly appreciated in SAI India and outside.

During the period 2022-23, iCED has included contemporary environmental topics and sections such as climate transitions, energy-related emissions and the importance of Rainforests in mitigating Climate Change.

#### **iCED as a Centre of Excellence on the Blue Economy**

The concept of the Blue Economy is labyrinthian, cross-cutting, intricately complex and variegated in nature and poses several challenges to audit. Blue economy as an emerging area of audit focus by SAI India can be dove-tailed to iCED's overall role in environmental audit.

iCED seeks to be a "Centre of Excellence on the Blue Economy" as a specialised programme for research and allied activities, within the rubric of iCED's institutional apparatus. This will harness iCED's decade-long experience in conducting specialised capacity building in environment audit and sustainable development issues.



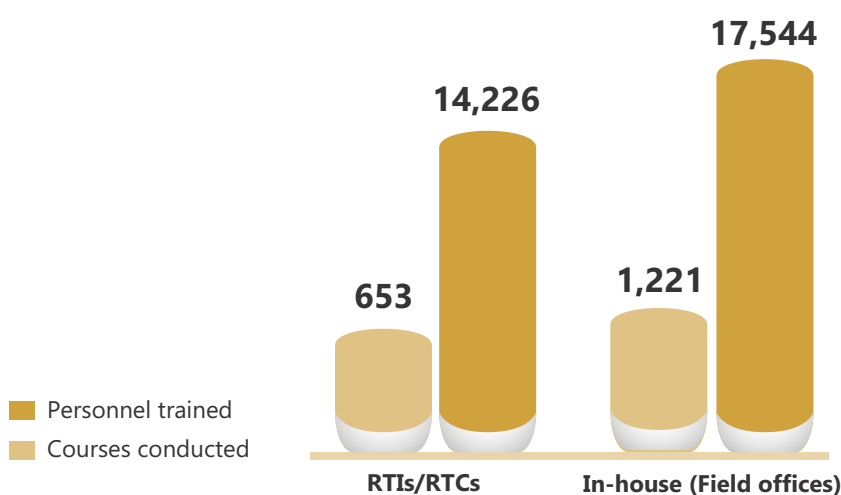


#### 2.4.2 Trainings at Regional Training Institutes/Centres/In-house training

SAI India has 10 Regional Training Institutes (RTIs) and two Regional Training Centres (RTCs) located across the country. Field offices also organise in-house training programmes of short duration to meet office specific requirements for capacity building.

During 2022-23, RTIs/RTCs conducted 653 courses (382 General and 271 IT) and trained 14,226. During the same period, field offices conducted 1,221 in-house courses and trained 17,544 officers.

**Training Activities 2022-23**



These training courses were conducted on various subjects such as GST, Works Audit, Compliance Audit, Performance Audit, Financial Attest Audit and IT subjects such as Data Analytics, Audit in IT environment, Oracle and Computer Assisted Audit Techniques.





OIOS workshop at RTI Shillong



Training session at RTI Chennai

## 2.5 Career Milestone Training for IA&AS Officers at institutions of repute

The pattern of Mid-Career Training Programme (MCTP) for IA&AS officers was revised as per DoPT orders issued in May 2016. Currently it includes:

- i) **Executive Development Programme (EDP) for IA&AS Officers with 7-9 years of service** to enhance understanding of public policy and finance issues, strengthen analytical tools and management acumen.
- ii) **Management Development Programme (MDP) for IA&AS Officers with 14-16 years of service** to widen exposure and technical inputs, strengthen analytical tools, management acumen, and interpersonal skills.
- iii) **Advanced Management Development Programme (AMDP) for IA&AS Officers with 26- 28 years of service** to widen exposure to multi-dimensional issues faced by senior managers including policy development, performance management, organisational design, negotiation and leadership.

MCTPs of IA&AS officers for the year 2022-23 were conducted as under:

- A three-week EDP was organised at IIM Bangalore for 25 IA&AS officers in two phases i.e. Phase I from 02-11 January 2023 and Phase II from 27 February-03 March 2023.
- A two-week MDP was organised for 20 IA&AS officers i.e., Week-1 at IIM Ahmedabad from 27 February - 03 March 2023. and Week-2 is at NAAA, Shimla (in lieu of foreign component) from 13-17 March 2023.
- A two-week AMDP was organised at Indian School of Business (ISB) Hyderabad for 23 IA&AS officers from 20 February - 03 March 2023.

## 2.6 External Trainings for Senior Audit/Accounts Officers/Assistant Audit/Accounts Officers

During 2022-23, 94 SAOs/AAOs were trained in five trainings at OP Jindal Global University, Sonapat, Haryana on 'Training Needs Analysis', 'Insolvency & Bankruptcy', 'Competency Mapping', 'Artificial Intelligence for finance professionals' and 'Block-chain technology & Crypto-currency'.

## 2.7 Self-Nomination Scheme for Senior Audit Officers/Assistant Audit Officers

CAG of India approved (October 2019) Self Nomination Scheme for training of AAOs/SAOs at Indian Institutes of Management (IIM). The self-nomination scheme was revised in November 2021 to enable SAOs/AAOs to participate in online/hybrid trainings conducted by IIM as well.

During 2022-23, 68 SAOs/AAOs were trained in 15 courses at IIMs Ahmedabad, Bangalore, Kolkata, Lucknow & Indore.

## 2.8 Mid-Career Training Program for Senior Audit Officers/Assistant Audit Officers

Training Division implemented a five level Mid-Career Training Programme (MCTP) for SAOs/AAOs from March 2022 as under:

MCTP	Description
Level 1	Induction training for direct recruit AAOs/promoted AAOs conducted at the RTIs/RTCs
Level 2	for AAOs with service career of 7 to 12 years-at RTIs/RTCs
Level 3	for SAOs/AAOs with service career of 12-17 years- RTIs/RTCs
Level 4	for SAOs/AAOs with service career of 17-22 years at external training institutes i.e. OP Jindal Global University (OPJGU) Sonapat and Administrative Staff College of India (ASCI) Hyderabad
Level 5	SAOs/AAOs with service career of more than 22 years at Arun Jaitley National Institute of Financial Management (AJNIFM) Faridabad

During 2022-23, 113 MCTPs were conducted in which 3,323 SAOs/AAOs were trained.

## 2.9 Pre-examination Trainings for CPD Examination:

Besides in-house training by field offices and iCISA Noida, external training partners like Arun Jaitley National Institute of Financial Management (AJNIFM) and O.P. Jindal Global University (OPJGU) have been engaged for CPD pre-examination training for SAOs/AAOs/Sr.DAOs/DAO-I. During 2022-23, 731 SAOs/AAOs/Sr. DAOs/DAO-I were provided pre-examination training for CPD examination.

## 2.10 Self-Learning Modules (SLMs)

To equip all the officials of SAI India with optimum functional knowledge of IT, SLMs were developed on MS-Word, MS-Excel, MS-Access, MS-PowerPoint, E-Mailing, E-office, PFMS, BEMS and SPARROW. These modules were made available to all the employees through SAI Training Portal. Field offices were requested to conduct a periodical in-house evaluation examination on these SLMs, passing of such examination should culminate in certification of the successful candidates.

By end of March 2023, 13,425 employees, in 143 offices, trained through these modules, appeared for evaluation tests conducted by field offices and 11,479 employees were declared successful.

## 2.11 Performance Monitoring Framework

A Performance Monitoring Framework (PMF) for RTIs with quantitative parameters was designed and introduced in 2015-16. The PMF envisages internalising and institutionalising excellence by linking RTIs' internal processes to stakeholders' expectations, ensuring a quality learning environment and necessary facilities to effectively impart training as well as function as knowledge centres. The scores allotted by the RTIs and its user offices are verified by conducting physical inspection of the RTIs. The PMF verification for the year 2021-22 was completed during 2022-23.

## 2.12 Special achievements of Training Division during 2022-23

Following other milestones in capacity building were also achieved during 2022-23:

- i) **Internship Scheme in SAI India:** Under the Internship Scheme in SAI India, Training Division processed the requirement of interns by three functional wings during 2022-23 and engaged four Young Professionals for Customs Wing (two YPs), Economic Wing (one YP) and Finance & Communication Wing (one YP).
- ii) **System Automation Initiative (SAI) Training Application:** Progress of SAI Training Portal Phase-IV during 2022-23 is as under:

Sl. No.	Module	Description
1	Knowledge repository	A knowledge repository has been hosted on SAI Training portal, on which CTIs/RTIs/RTCs can host training material related to SAS examination and Departmental Examination (DE) for IA&AS OTs. The same is available to all employees of the department.
2	Self-Nomination for IIM Trainings	Employees can either nominate themselves (self-nomination) or get nominated by HOD for various courses organised at IIMs across India through the SAI Training portal.
3	Evaluation Module	Examination module to enable RTIs/RTCs/Field offices to carry out Entry behaviour (pre-course) and end-course evaluation examination, is under final stage of development for roll-out Pan-India by April 2023.

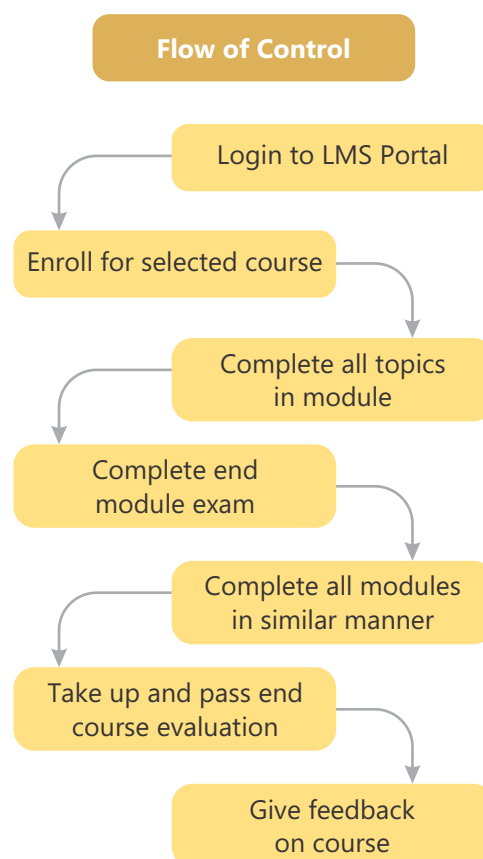
iii) **Learning Management System (LMS):** In order to promote self-learning in the department, Training Division introduced a Learning Management System (LMS). During 2022-23, four courses (two General and two IT) have been added to the portal on pilot basis. All employees of SAI India have access to the courses available on the LMS platform. Further, Training Division is working with RTIs/RTCs to ensure availability of more courses on LMS platform.

iv) **Induction Training for Direct Recruit AAOs:** Training Division revised the existing pattern (five months) for induction training for direct recruit AAOs as under:

**Phase 1:** Four months classroom training at RTIs/RTCs.

**Phase 2:** Three months of On the Job training in field offices.

**Phase 3:** Two months classroom training at RTIs.



On completion of training and passing of SAS examination, the top 10 AAOs are given a week's exposure course at NAAA, Shimla. Besides, the top most AAO is awarded the CAG's medal, the second is awarded the DAI's medal and the third is awarded the DG NAAA certificate. The new

pattern of induction training was implemented in April 2022 for direct recruit AAOs (CGLE-2018 batch). During 2022-23, 236 direct recruit AAOs (SSC-CGLE 2018 Batch) were trained in RTIs/RTCs and the one-week exposure course in NAAA Shimla was held in April 2023.

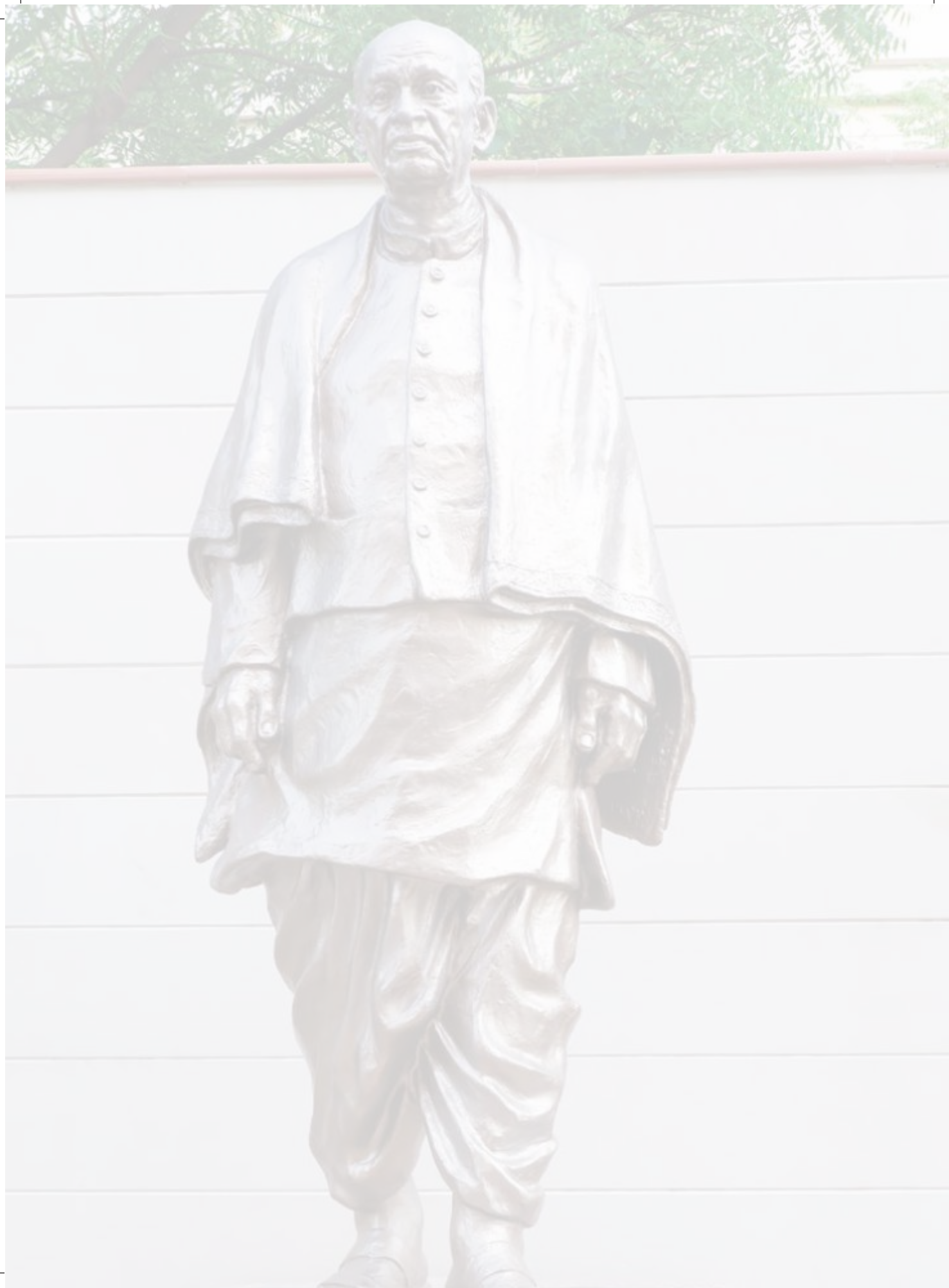
- v) **Induction Training for departmentally promoted AAOs/Supervisors:** A six-week induction training for departmentally promoted AAOs (Pass-outs from SAS Examination 1 of 2022) and Supervisors, was conducted during 2022-23. During 2022-23, 194 departmentally promoted AAOs/Supervisors were trained in RTIs/RTCs.
- vi) **Training on Accounts Certification:** A training programme on “Accounts Certification” was held in September 2022 for Directors General/Principal Directors holding charge of Report State Wings and SAOs/AAOs dealing with accounts certification and financial attest audit work in headquarters office.
- vii) **Shifting of MCTP Level 4 training from RTIs/RTCs to reputed external institutes:** As per the decision (April 2022) of 46<sup>th</sup> Central Training Advisory Committee (CTAC), Training Division collaborated with OP Jindal Global University, Sonapat Haryana and Administrative Staff College of India (ASCI), Hyderabad for conducting Level 4 MCTPs. During 2022-23, 512 SAOs/AAOs were trained in 14 Level 4 MCTPs in these institutes.
- viii) **Handbook for Induction Training of directly recruited AAOs:** A handbook for Induction Training on technical and soft skills for onboarding newly recruited AAOs was developed and disseminated from 2022-23 to standardise the training contents of induction training across all RTIs/RTCs.





# CHAPTER 3

## **Internal Controls and Quality Assessment**



### 3.1 Quality Management through Inspections

Inspection and Peer Review (I&PR) Wing is vested with the responsibility of conducting test checks of all the functional offices of SAI India across the board. The Wing performs oversight functions with a view to provide assurance on compliance with the professional pronouncements and administrative instructions; gap analysis facilitating course corrections for optimal utilisation of human capital and efficiency optimisation. Inspection provides a platform for sharing of good practices noticed in individual offices.

In order to fulfill its mandate, the wing carries out on-site inspections of field offices including branch offices. Offices are selected based on a point system based on risk parameters designed for this purpose.

Following mechanisms are in place to ensure effectiveness of inspection and responsiveness of functional wings in headquarters and field offices :

- a. To make the process of inspection open and participative, the wing has endeavored to improve and sustain synergy with all stakeholders through regular dialogue with the heads of the respective functional wings;
- b. The inspection teams conduct desk studies of available material like earlier peer review reports/Inspection reports, detailed information called for from the offices planned for inspection and periodical returns/inputs obtained from functional wings on a regular basis. Teams go through briefing and debriefing sessions at the highest level before commencement and after completion of field assignments;
- c. Reports are prepared in standard formats and are concise and carry recommendations to engage stakeholders in a constructive manner;
- d. Check lists on inspection of field offices and on specific issues and functional verticals prepared in consultation with respective groups are used by the inspection teams;
- e. All the Inspection Reports (IRs) are issued in digital form and uploaded under Knowledge Management System (KMS) portal in the CAG's website. The IRs for the years 2014-15 to 2021-22 are available in the KMS portal.
- f. Compliance to the observations is called for from field offices under two categories viz. (i) Category-A- where compliance is to be done by the office itself in a time-bound manner, and (ii) Category-B- where compliance is dependent on action taken by external agencies like State Governments, PSUs etc. Individual offices have been advised to fix a time frame within which all the observations raised in the IRs are to be complied with.

### 3.2 Activities during the year 2022-23

- Continuing the practice from the previous year 2021-22, Inspection Teams were supervised by a Group Officer for effective execution of Inspection work.
- During the year, 20 (State Audit Offices-08, Central Audit Offices-02, Defence Audit Offices-02, Railway Audit Offices-02, Commercial Audit Offices-02, A&E Offices-03 and Training Institute-01) field offices were planned for inspection. The details of inspection conducted, observations raised, settled and outstanding as on 31 March 2023 is tabulated below:

No. of Inspections planned	No. of Inspections carried	No. of IRs/ observations issued during 2022-23		No. of observations settled during 2022-23	No. of paras/ IRs outstanding at the end of March 2023	
		IRs	Paras		No. of paras	No. of IRs
20	20	18	2,334	1,689	2,626	54

- A booklet containing the observations (categorised as Major and Minor) that featured in the Inspection Reports for the year 2020-21 and 2021-22 was prepared and circulated to all field offices to take remedial action in case any of the observations were relevant to their office.

### 3.3 Internal Peer Reviews

I&PR Wing organises Peer Review of offices in SAI India as part of Quality Assurance mechanism. These are governed by the guidelines on "Quality Assurance through Peer Review". To align with the SAI Performance Measurement Framework (SAI-PMF), these guidelines were revised during the year and titled 'Peer Review Guidelines for Audit Offices 2022'. The scope of these guidelines is confined to review of audit offices.

- During the year, 15 field offices (A&E-03 and Audit offices-12) were planned for Peer Review. Peer Review of three A&E Offices have been completed. Peer Review of 12 Audit Offices was under progress at the end of March 2023.
- To make the system more effective and ensure greater utility of peer review reports, a new initiative of dissemination of important points/lessons learnt from peer review reports was introduced from 2021-22. All important observations of the peer review reports for the year 2021-22 were collated and then issued to all field offices of SAI India, so that observations relevant to their offices were used for corrective action, wherever appropriate.

### 3.4 Technical Inspection

The main objectives of Technical Inspection are to improve the quality of audit and to provide guidance on technical functions of the reviewed office. It was decided to conduct Technical Inspection of field offices under CRA Wing, Railway Audit Wing and Defence Audit Wing along with Peer Review of the respective offices from 2022-23 onwards. I&PR Wing has been entrusted with the responsibility for planning and conducting Technical Inspections. For Technical Inspection, specific guidelines have been devised and officers having domain knowledge are being deputed with the Peer Review Team.

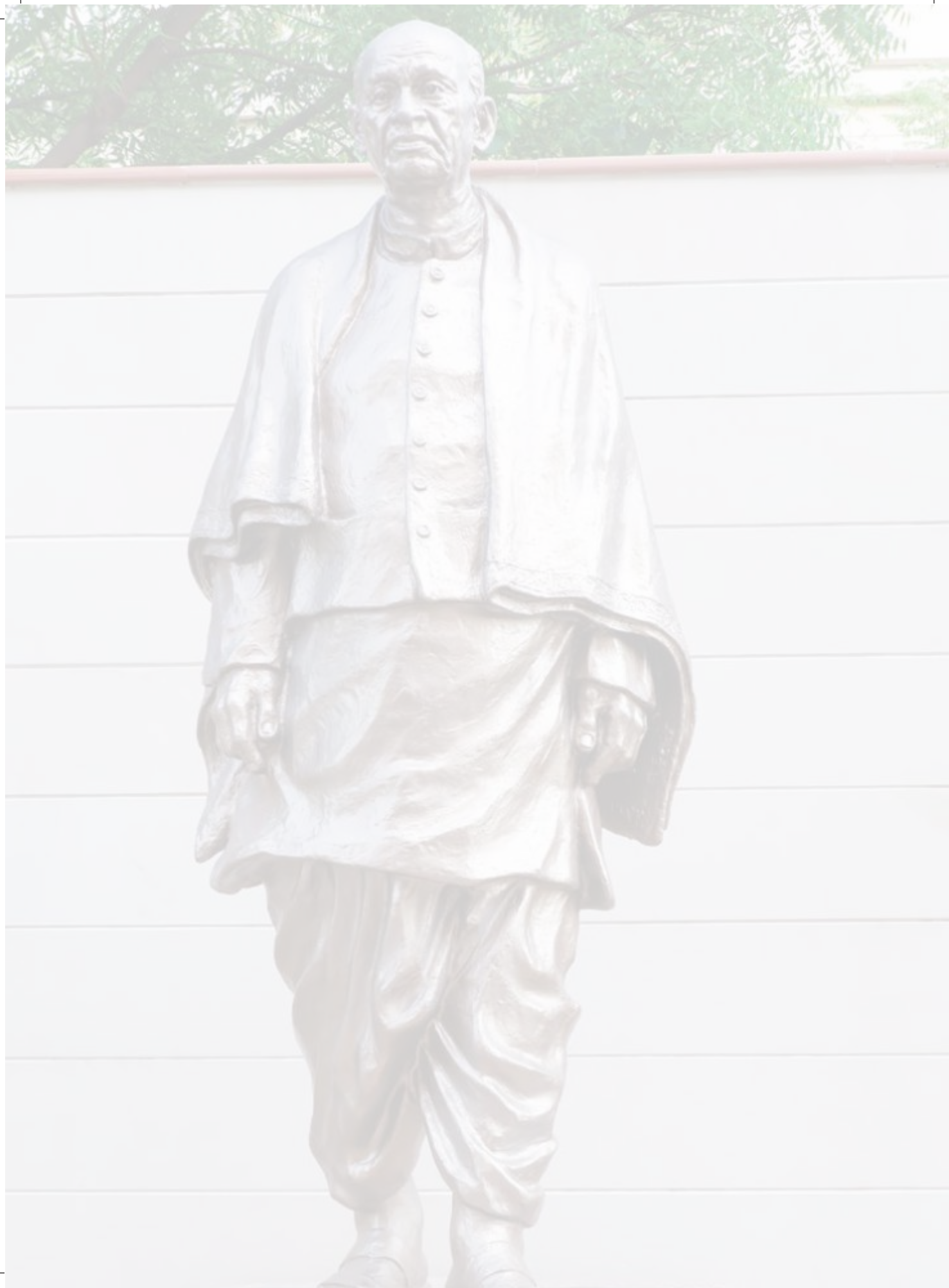
During 2022-23, two offices i.e. Office of the DGA (Central), Hyderabad and Office of the DGA, Eastern Railway, Kolkata were selected for Technical Inspection. Technical Inspection of these offices was taken up along with Peer Review.





# CHAPTER 4

## Our IT initiatives



SAI India is continuously upgrading its disparate legacy IT applications to centralised IT solutions. The centralised solutions are easier to manage, and state of art security setup can be deployed in centralised application in a cost-effective manner. The push to digital solutions is accentuated by the objective of standardising our work processes, reducing time to process and improve quality of service rendered and to leverage digital data generated by other governmental IT applications for audit assignments.

The applications in SAI India have been designed to ensure high availability and improved quality/continuity of services. The new centralised solutions include state-of-the-art security architecture to handle advanced cyber threats. To ensure safety, the security audit of network, infrastructure and application by an independent, external, government empanelled agency is mandatorily performed.

The use of Information Technology (IT) in SAI India can be broadly grouped under the following categories:

- Formulation and implementation of Information System (IS) policy for the IA&AD
- Designing and rolling out new IT applications
- Supporting existing IT applications, especially in relation to Accounting & Entitlement functions
- Management and maintenance of supporting IT infrastructure
- Serve as a resource centre for Data Analytics to assist in planning and execution of Audit assignments
- Audit of IT Systems of Governments and other auditee entities

#### 4.1 Recent Initiatives and Developments

In line with Government of India's IT 'Digital India' programme, IA&AD is in the process of complete digitisation of its business processes and records. The audit process has been completely digitised with the development, implementation and roll-out of the One-IAAD-One-System (OIOS) Application, an end-to-end Audit Process and Knowledge Management System – a core audit function of IA&AD, from 1 April 2023. Field offices were on boarded and trained on e-Office (NIC's file management and transfer system) application. The process of implementing a comprehensive HR package for our personnel (e-HRMS) has also started.

SAI India also has a separate IT audit function, which is responsible for risk assessment and prioritisation of auditee IT systems for IT audits, and guidance of individual IT audit assignments from planning and design through mid-term reviews to reporting.

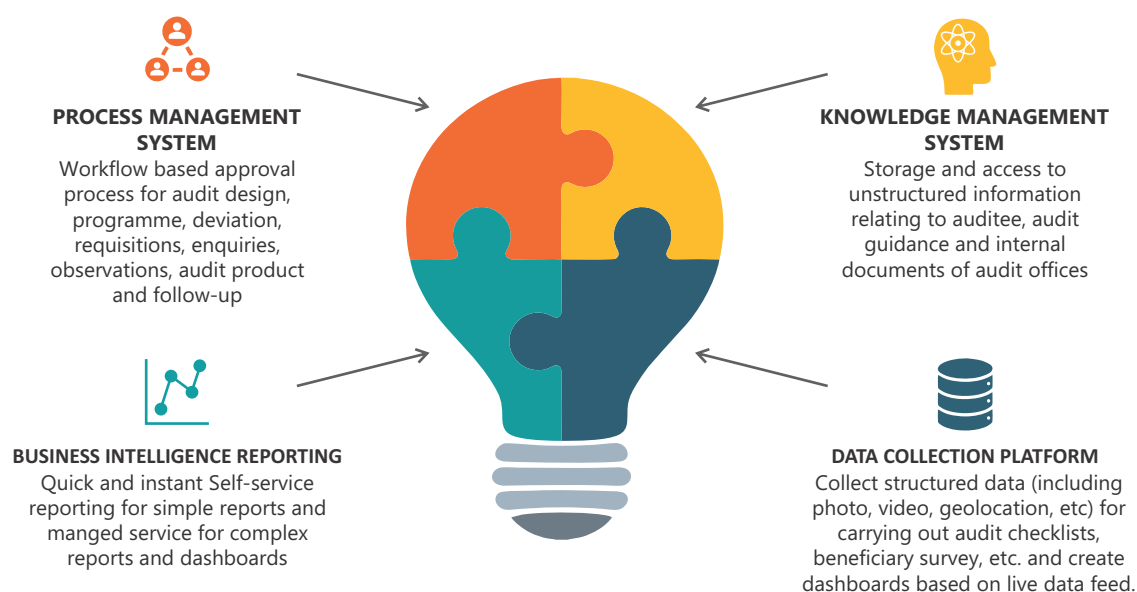
#### 4.1.1 One IAAD One System

##### 4.1.1.1 Design, development and roll-out of OIOS

SAI India is a large organisation - employing around 40,000 people, out of which around 29,000 employees are involved in its core audit function. Hitherto, departmental information was being stored in a heterogeneous and distributed manner, ranging from paper-based files, electronic files stored on personal desktop, to localised in-house IT systems in some cases, lacking an effective mechanism for systematic sharing of data within the department.

In 2019, SAI India initiated the development, implementation and roll-out of a comprehensive IT system for audit process automation and knowledge management, called One-IAAD-One-System (OIOS). The One-IAAD-One-System project aims at creating an IT based platform which will create a single source of truth regarding audit activities of IA&AD. It is a workflow-based IT application where all the activities are carried out end-to-end in real-time within the application itself. The solution consists of four main components:

- A. Business process management system through which activities relating to audit planning, audit design, audit execution, audit reporting and follow-up can be performed. This covers all types of audits (financial, compliance and performance audits).
- B. Knowledge management system in which the unstructured information relating to auditees (such as policy notes, GOs, reports, act, rules, circulars, instructions, guidelines, etc.) and audit process (mandate, regulation, standing orders, guidelines, guidance notes, practice notes etc.) are maintained.
- C. Reporting module in which MIS reports and dashboards can be created and managed.
- D. Data collection platform in which structured data (including photo, video, geolocation, etc.) can be collected for various purposes.



OIOS application includes a mobile scanner application which assists in capturing geotagged images, videos and documents and attach them as key documentary evidence. In order to facilitate audit execution in geographical locations, where there is little or no internet connectivity, an offline module is also part of the OIOS application.

The process of design and development of OIOS application is based on the Agile Scrum Methodology for iterative development. This involves intensive engagement between the Product Owner (IA&AD) team and the System Integrator's team.

Change Management in a huge organisation like SAI India is a challenge. From digitising the SAI India's processes perspective, OIOS is replacing the currently followed manual processes. These processes vary from office to office – some are due to office-specific requirements, and some are only customary. Keeping these aspects in mind, an elaborate framework for onboarding an office on OIOS has been put in place.





Visuals from OIOS

#### 4.1.1.2 Status of OIOS Application Development and roll-out

The application development for the first version of OIOS is completed. Primary functional modules (Audit Planning, Audit execution by field Audit parties, Review and finalisation of Audit Products- Inspection Reports, Audit Report material, Communication, Audit follow up and Audit planning) have been developed. The Mobile Scanner app and the Offline app have also been launched.

The roll out of the application in IA&AD offices began in November 2020 and it is cent percent operationalised in 130 audit offices (81 main and 49 branch audit offices) with effect from 1 April 2023.



#### O/o Comptroller & Auditor General of India, and

47 state audit offices and branches

18 central audit offices and branches

15 Finance & Communication audit offices and branches

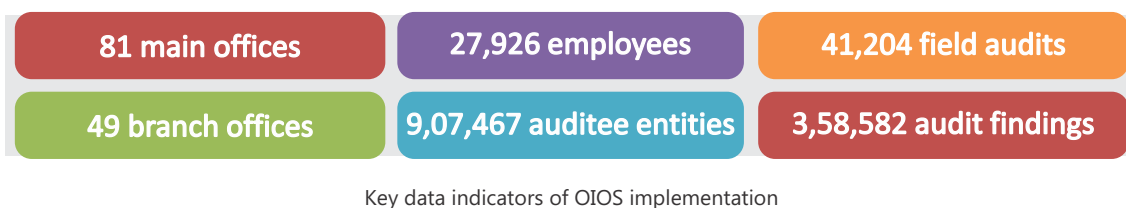
11 Central expenditure audit offices

17 Commercial audit offices

21 Railway audit offices



The overall implementation indicators as of 31 March 2023 are depicted below.



In order to facilitate the engagement process at office-level, 22 dedicated posts for OIOS Functional Helpdesk were established at different Regional Training Institutes/ Centres of SAI India. Each helpdesk person caters to a cluster of offices. They work as the first level of contact - in case the user faces any issues.

#### 4.1.2 Implementation of secured IAAD VLAN

Main offices of SAI India have been provided internet connectivity through a virtual network named as IAAD-Net, forming part of NIC-NET. This network is managed by the National Informatics Centre. IAAD-Net is designed for interconnecting various IA&AD field Offices so that access to IAAD-specific IT applications can be restricted as appropriately and access to internet can be secured by utilising the Centralised Threat Management Solution of NIC.

Given that more of the office functioning is moving to web-based applications, it is important to have secured access to IAAD-Net. Hence, a project for revamping the existing LAN infrastructure and setting up a secured IAAD VLAN, and Wi-Fi access is ongoing. The purpose is to ensure:

- Overhauling of physical LAN infrastructure – scaling up with respect to increase in endpoint devices, replacing old LAN cables/ routers etc.
- Providing office-wide seamless Wi-Fi access.
- Centralised enforcement of security policies through Network Access Control (NAC).
- Centralised maintenance of IAAD network/ endpoint devices for Patch Management etc. through a dedicated Command and Control Center
- Secured access controls for IAAD Virtual LAN (NIC user log-in ID based access)

##### 4.1.2.1 Status of implementation of IAAD VLAN Project

The Project is being implemented with the assistance of NIC. The project starts with preparation of Design documents (office-wise) for requirement assessment. The work at office-site includes - Passive Work – physical laying of the fibre cables, and Installation of Active components (Switches, routers). This is followed by Centralised deployment of network policies and configurations, which constitutes Network Live.

As part of IAAD VLAN project, each end point device has now been provided with advance anti-virus setup for secured connection to internet. By March 2023, 65 offices were brought to this

common network infrastructure. For remaining offices, passive work has been completed and work related to active components is in progress.

This project will ensure common network infrastructure across 150 IA&AD offices.

#### 4.1.3 Human Resource Management System (e-HRMS)

In order to digitise the Service Records of IA&AD employees and automate the HR/Administration related activities, a project for HR management IT application (e-HRMS) has been initiated. The application, developed by NIC, maintains electronic employee records from entry to retirement. Its goal is to digitise SAI India employees' records and introduce an IT module for HR/Administration tasks.

The project is being implemented in phases, with the CAG Headquarters office serving as the pilot office. Several modules, including Leave, Service Book, and Reimbursement (Newspaper, Telephone, and Child Education Allowance), are already operational, while LTC and Tour modules are in pipeline.

Training Institutes and 32 Accounts and Entitlement offices are also preparing for e-HRMS implementation. Additionally, DOPT is testing e-HRMS 2.0 with new features to analyse the suitability for IA&AD.

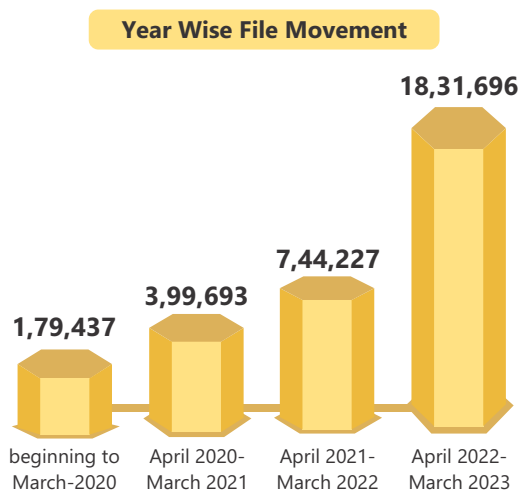
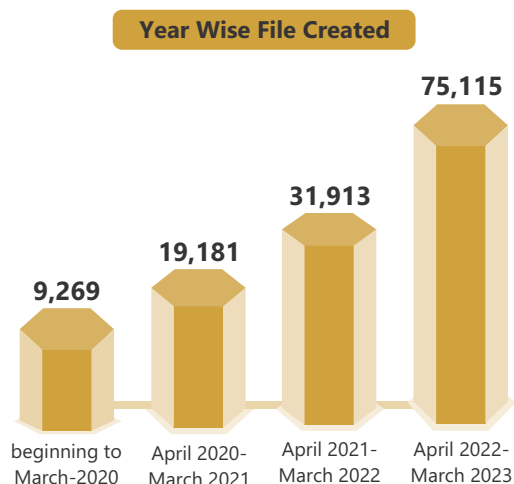
#### 4.1.4 Implementation of e-Office

e-Office is a digital workflow-based application, which allows end-to-end movement/ storage of electronic files. It is a web-based application developed by NIC and can be accessed from anywhere on internet. The implementation of e-Office is focused on processing of administrative activities.

Currently, 136 offices of IA&AD are using e-office to various degrees and 25,325+ users have been created. Year-wise data on implementation of e-Office in the offices of IA&AD are as below.

Year	No. of main/branch offices where e-office was implemented during the year
2017-2019	57
2020	8
2021	43
2022	28
<b>Total</b>	<b>136</b>

As on 31 March 2023, 1,35,478 files were created and 31,55,053 files were moved in e-office in IA&AD. The year-wise data on number of files created/ moved in e-office in IA&AD as on 31 March 2023 are given below :



A plan for 100 *per cent* implementation of e-office has been prepared in order to achieve the target by June 2023.

## 4.2 Management and maintenance of supporting IT infrastructure

Allotment of funds for procurement of IT hardware, IT-AMC, consumables and software for use by the field offices of IA&AD is managed centrally. With the roll-out of OIOS and other IT applications, and in view of COVID pandemic, which has put emphasis on facilitating work from home, impetus was given on facilitating dedicated endpoint devices (laptops/desktops) for IA&AD officials. This is being done largely through centralised procurement of laptops and desktops. Further, for enabling audit parties to work on OIOS during field audit in areas with poor internet connectivity, mobile Wi-Fi devices have also been provided. During the year 2022-23 a total of 10,065 end point devices (Laptop-5,538 and Desktop-4,527) were purchased through decentralised mode.

#### 4.2.1 Supporting existing IT applications

IS wing provides necessary support as needed, for implementation and maintenance of various departmental IT applications. There are nine existing applications running at the CAG's headquarters for various wings such as Staff wing, Budget wing, Commercial wing, GASAB wing and Director (P) wing. IS wing has been currently looking after the maintenance & updating of multiple applications.

Accounts and Entitlement offices use Oracle based applications for VLC, GPF, Pension and Gazetted Entitlement processing as detailed in the table below:

Name of the application	Number of states
Accounts (VLC)	28
GPF	20
Pension	19
Gazetted Entitlement	9

IS Wing is providing technical support to the offices for modification and maintenance of the application. The HW/SW support is also provided whenever necessary.

#### 4.3 Centre for Data Management and Analytics and Audit of IT Systems

Centre for Data Management and Analytics (CDMA), in the office of the CAG, is the nodal body for steering data analytic activities in IA&AD. CDMA provides guidance to the field offices on data analytics and pioneer research and development in the future direction of data analytics. It serves as a nodal point for obtaining centralised access to other governmental applications and the data generated by them and assists SAI India's field offices in data analysis and data restoration.

The vision for CDMA, to support the field offices of SAI India through its model of Data as a Service and Data Analytics as a Service, is being realised through its various episodic projects and continuous projects.

##### 4.3.1 Episodic Projects

Under Episodic projects, flagship government schemes are taken up and data analytics reports are prepared. Latest Machine Learning and Artificial Intelligence techniques in Data Science were applied to bring out insights and risk areas, which would be hard to accomplish using traditional approaches. High risk entities were identified using common parameters which were then selected for field audit.

Cloud computing and query optimisation of the queries for faster execution of the Big Data queries has been adopted through various NIC Cloud servers. The following data analytic reports were prepared during the year 2022-23:

- i. Data Analysis of the Merchandise Exports of India Scheme (MEIS) and Services Exports of India Scheme (SEIS) schemes in DGFT – Data Analytics Reports on MEI and EI schemes in DGFT were prepared and used for the Central Revenue Audit Report.
- ii. Data Analysis of the E-Way Bill in GST – Data Analytics Report on the E-way bill in GST was prepared and sampling is under process.
- iii. Indian railways e-Procurement System (IREPS) – Data Analytics report on IREPS was prepared and tableau dashboards were also prepared and shared with O/o PDA (NR)
- iv. Import-export of SEZ units – Analysis of sale purchase, import-export of SEZ units was done.

#### 4.3.2 Continuous Projects

Under Continuous projects, CDMA collects All India data of *VAHAN*, *SARATHI* and E-Challan from the Ministry of Road Transport and Highways every six months. This data is restored on CDMA's cloud server and shared with field offices in CSV format on request basis. Further, CDMA elaborates the data flow and data structure of aforementioned database to the field offices and helps them in identifying the relevant tables as well as in executing the queries on the data during the audit.

Moreover, CDMA also conducts the vetting of the audit reports relating to Vahan, Sarathi and e-challan wherein, data analytic queries are optimised and improvements are suggested.

#### 4.3.3 Capacity Building

CDMA has also been organising capacity building programmes on various tools and technologies through both in-house and outsourced training programmes. The training programmes are divided into following segments:

- i. Trainings on data analytics and various tools for data analytics like IDEA, Knime, Tableau, Power BI, R programming language.
- ii. International Trainings – Training imparted by SAI India to SAI-Oman on electronic Data Analysis.

#### 4.3.4 Technical support

CDMA provides technical support to field offices in data analytic and other related works. An illustrative list of such activities performed during the year 2022-23 is given below:

- i. Evaluation of Risk assessment parameters for selection of contracts/tenders in IT audit of e-Procurement in Tamil Nadu was done for O/o PAG (Audit-I) Tamil Nadu.
- ii. Sampling methodology for selection of tenders for audit of contract management was done for the O/o PD (Defence Audit) Chandigarh.

- iii. Verification of Draft Report on Illegal mining in Chhattisgarh in relation to observations in Chapter-III of the draft report that are based on data analysis using google earth tool and drone services from NIT, Raipur.
- iv. Vetting of Guidelines prepared by Odisha office for audit of e-Procurement in State for the O/o AG(Audit-II), Odisha, Bhubaneswar.
- v. Identification of risk prone sites along Nashri-Banihal national highway in J&K using google earth and keeping NGT report on designated and non-designated dumping sites as the basis, O/o PD (Infrastructure), New Delhi.

#### 4.3.5 Other Activities

CDMA provides guidance to field offices in obtaining/renewing VPN licenses, thereby facilitating seamless transfer of large volume of datasets to and from its local server as well as on cloud servers. A Guidance note on use of VPN was prepared and circulated to all field offices.

CDMA has prepared support videos named CDMA Support Videos (CSV) on use cases of various analytical tools viz. tableau, knime, Idea etc. These videos are extremely helpful in supporting the officials in field offices in enhancing their technical abilities. 24 such videos have been hosted on the SAI LMS portal of IA&AD.

CDMA has also been involved in the following works with respect to SAI India's international projects:

- Presentation on Responsible AI prepared discussing Approach paper, concept note on Responsible AI published by *Niti Ayog* and implementation of Responsible AI in Govt. Departments. Prepared Survey Questionnaire on G20 topic – Responsible AI
- Presentation on the ILO Audit, Audit Plan, etc.
- Write up on WHO audit prepared

In addition to the above, CDMA also evaluates the technical specifications of the hardware/software requirements of field offices and accordingly makes recommendations to the IS wing for procurement thereof.

#### 4.3.6 IT Audit and related activities

##### Audit of IT systems

As per established process for audit of IT systems, CTO wing provides support in design, execution and drafting of IT Audit assignments to the field audit offices.

Topics like audit of IFMS system and DBT schemes were taken up by multiple audit offices. Audit of many central systems, like ICES, CBIC-ACES, ERP systems has been carried out during the period. During 2022-23, 11 IT audit reports were approved and tabled in the legislature.



### 4.3.7 Websites/web portals

IS wing has developed & launched a main site and a bouquet of sub-sites (133 Numbers) for each field office of the CAG of India in the year 2020. The contents material related to headquarter office webpages is being uploaded regularly by IS wing in addition to the publishing of the Union Audit Reports.

## 4.4 IT initiatives for Accounts & Entitlement functions

### 4.4.1 Project for Development and Implementation of Web and SMS based Services for Entitlement Functions in field A&E offices

The Project was conceived to render real time services to State Government employees in respect of entitlement functions (Pension, GPF and GE). Based on an assessment, twelve Web based services and four SMS based services were included in the project. The project covered 21 field offices having entitlement functions. A tender was awarded to two firms involving 21 offices. The project had been completed except few technical issues in offices such as J&K, Manipur and Nagaland, which were being addressed.

### 4.4.2 Project on Digitisation of records of Entitlement functions

Old records relating to entitlement functions (pensions and GPF) are very difficult to maintain and retrieve at the time of revision/updating. As such an end to end Document Management System was conceived which will not only reduce the time taken to finalise cases but will also facilitate a very robust back-up and recovery of information for decision making. It will also release office space, be cost effective and environment friendly. It will also help in business continuity planning and will facilitate work from anywhere.

The Project was conceived for digitisation of approximately 10 crore pages in nine field offices. The work was awarded in February 2021. The work of digitisation of records is in progress at all the sites (approximately two crore pages have been digitised). Also, Single Data Management System (DMS) is being developed by one of the vendors. On completion, the same will be hosted on the cloud server. NIC had been contacted with the requirements to host the digitised data on NIC cloud.

### 4.4.3 Promoting Citizen Centric Service Delivery through Digi Locker

Government of India has launched National "Single Sign On (SSO)" Portal named *Meri Pehchaan*, which brings together three SSO service providers under Ministry of Electronics and Communication (Meity). Ministry of Finance, Government of India, requested all offices to integrate their platforms and applications with any of the SSO service providers, i.e. *Jan Parichay* from NIC, *e-Pramaan* from C-DAC and *Digilocker* from NeGD.

As per request of NeGD division of the Ministry of Electronics and Information Technology, Government Accounts Wing has requested all Principal Accountants General/Accountants General

(A&E) to facilitate e-PPO, e-GPO, e-CPO, General Provident Fund and Family Pension through Digilocker.

A Nodal officer has been nominated from each A&E office to facilitate on boarding on Digilocker. On boarding of Pension/GPF authorisations would help citizens access their PPOs without any hassle.

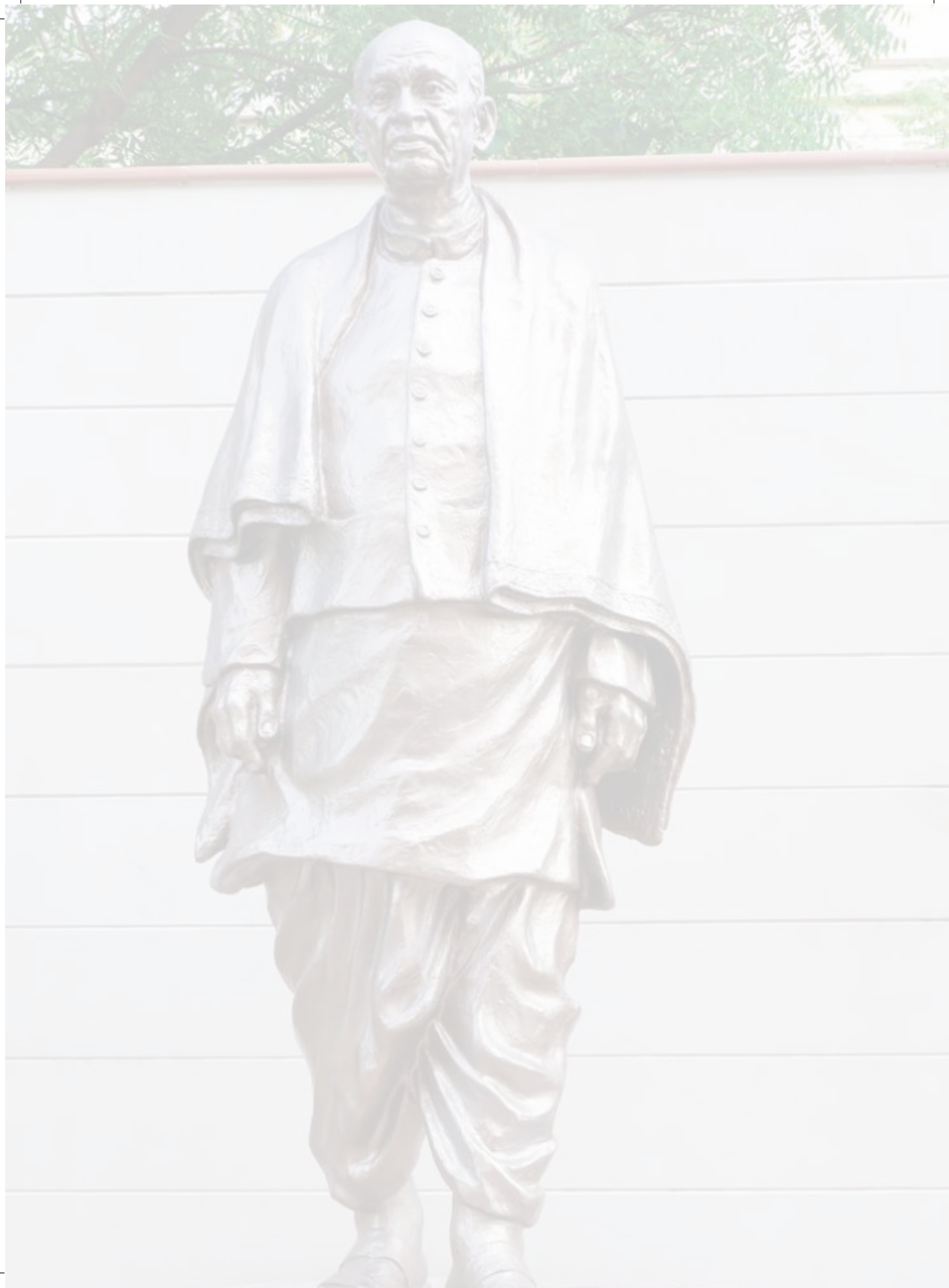
#### 4.4.4 State-wise Developments

- **Andhra Pradesh:** Over 1.65 crore pension records up to 1997-98 have been digitised, and pension data can be accessed through the DMS Package. Digitisation of pension records from 1998-1999 to 2 June 2014 (until the state bifurcation) has been taken up jointly with the Office of the PAG (A&E) Telangana which is nearing completion.
- **Haryana:** From 1 January 2023, the project of Online Submission of Fresh Pension Cases for all districts of Haryana has been implemented. HRMS data for state government employees is used for generating auto-populated pension forms, and the UCP code of government employees is used for easy registration.
- **Odisha:** Digitally signed e-authorities of PPO/GPO/CPO are uploaded on the AG's office website for pensioners' viewing and downloading. Treasury and PSA copies of e-PPO/GPO/CPO are uploaded on the IFMS Portal. Revised pension authorities under the 7<sup>th</sup> Pay Commission (Pre-2016 retirees) are also available for pensioners to view/download on the ARPANA portal.
- **Punjab:** More than 2.41 crore pages have been digitised, and these records are accessed through the DMS server for easy retrieval. The facility to download e-PPO is available through the State iHRMS.
- **West Bengal:** The AG's office website has implemented an online Missing Credits Adjustment module. Subscribers can view missing credits against their account number, upload documents, and provide required information for adjustment of the said missing credits, all online.
- **Tripura:** GPF final payment authorities are digitally signed and uploaded in the HRMS/email for early payment to beneficiaries.
- **Tamil Nadu:** Both e-SRs (Service Records) and pension proposals are being received electronically on a trial basis for original pension cases. Online pension cases are received along with physical SRs, and remarks are communicated to the 'Integrated Financial and Human Resource Management System' (IFHRMS) team of the State Government.

#### **4.4.5 Assessment of the Maturity level of the IFMS/CFMS/IFMIS across the States in respect of Accounting functions**

The importance of the VLC system being able to communicate with the IFMS/CFMS/PFMS systems is crucial. Furthermore, the integration of the VLC system with other systems in terms of real-time and seamless bonding is a wider remit that was discussed suitably during the AG (A&E) conclave.

A questionnaire was developed to assess the maturity level of the Integrated Financial Management System (IFMS) across different states. Given that different states use different IFMS/CFMS/IFIMS systems, eight modules that were common to all states and necessary to complete the PFM cycle were selected for data consolidation. These modules are: Budget Module, Online Bill/DDO Module, Accounts/Treasury Module, Receipt Module, Payment Module, e-Kuber, HRMS, and e-Voucher Module.



# CHAPTER 5

**Audit Diwas  
2022**





## 5.1 Significance

The institution of the Comptroller and Auditor General of India traces its roots to the post of the Auditor General of the British Crown in India, created under the provisions of the Government of India Act 1858. On 16<sup>th</sup> November 1860, Sir Edward Drummond took charge as the first Auditor General. After India became independent in 1947, the Comptroller and Auditor General of India was established as a constitutional authority with the adoption of the Constitution of India in 1950. The role of the Comptroller and Auditor General of India has evolved through legislations and practices in British India and in independent India.

To mark the historic origin of SAI India and the contribution it has made to the good governance, transparency and accountability over the last more than 150 years, it was decided in the year 2021 to celebrate 16<sup>th</sup> November every year as 'Audit Diwas'. The Second Audit Diwas was celebrated on 16 November 2022.

The following activities marked the celebration of 'Audit Diwas' 2022.

### 5.1.1 Hon'ble Vice President's address on the occasion

The Hon'ble Vice President, Shri Jagdeep Dhankhar, inaugurated the Second Audit Diwas celebrations at CAG office in New Delhi on 16 November 2022. He described accountability and transparency as twins that help to sustain our democratic progress. He emphasised on accountability in public service delivery being quintessential to good governance to ensure benefits trickle to the last rows. Addressing a gathering of IA&AS officers, he highlighted that CAG has a pivotal role in ensuring these values; corruption and inefficiency would creep into the system, otherwise.



Hon'ble Vice President inaugurating the second Audit Diwas

Describing audit as a powerful and inescapable tool of good governance, Shri Dhankhar expressed that the absence of audit or inefficient audit would lead to system degeneration. He also called for increased focus by CAG on the instances of utility certificates involving massive public funds not being submitted by governmental entities for long periods.

Noting that CAG of India has been the External Auditor of various United Nations organisations over the years, Shri Dhankhar praised CAG for establishing a reputation for itself as a robust auditing organisation with global best practices. He expressed confidence that with the enhanced pro-active stance of the CAG, there is bound to be improved efficiency and monitoring and reach of government schemes. He added that timely detection of fiscal misdemeanours and effective consequential correction mechanisms are peremptory CAG obligations.

The Hon'ble Vice President appreciated the CAG for giving audit priority to many citizen-centric programmes such as Direct Benefit Transfer and National Pension System. He added that the findings from these types of audits will give extremely important inputs for better planning and management of citizen-centric schemes. He also commended the CAG's initiatives to become an IT-led institution and using data analytics for audit.



Hon'ble Vice President addressing the officers of SAI India

On this occasion, the Hon'ble Vice President also felicitated the winners of the National Online Essay Writing Competition - 2022 organised by the Institution as part of its Second Audit Diwas celebrations. Appreciating the initiative, he hoped that the august institution would continue to find ways to involve the public at the grassroots in its impact assessment process and act as crusader against corruption and fiscal inefficiency.

### 5.1.2 CAG's awards for Innovation and Excellence in Public Auditing and Accounting, 2022

The Comptroller and Auditor General of India in 2021 instituted the scheme for 'CAG's Awards for Innovation and Excellence in Public Auditing and Accounting', to recognise and reward the extraordinary and innovative work done by the officers and staff of the Indian Audit and Accounts Department in the areas of public auditing, accounting, entitlement and support functions. While the CAG Awards Scheme 2021 recognised specific team excellence engendering a meritocratic environment, from an organisational perspective it is even more important to nurture all round qualitative improvement. With this aim, in addition to the existing scheme of awarding team endeavors towards excellence and exceptional work, a new category of awards was instituted in 2022, that of awarding 'the most improved office'. This category of Awards seeks to recognise those offices working in the spheres of Accounting, Auditing and Training that showed maximum improvement in performance over a specified period of assessment.

Accordingly, CAG's Awards in the year 2022 were conferred in two categories viz. (i) Category I- Project/Team awards for projects demonstrating Innovation and Excellence in Public Auditing and Accounting and (ii) Category II- Awards for the most improved offices for the period 2019-22.

- **Category I- Project/Team awards for projects demonstrating innovation and excellence in Public Auditing and Accounting**

These awards seek to promote innovation and excellence backed by demonstrated exceptional

performance and initiatives taken in the field of functional areas, working environment and welfare including:

- Auditing processes
- Stakeholder engagement
- Audit Reports and other audit products
- Communication and follow up of Audit Reports/products
- Accounting processes and financial reporting
- Entitlement processes and settlement of claims
- IT driven and IT led initiatives
- Human Resources and Capacity Building
- Administrative efficiency
- Grievance Redressal Mechanism
- Staff Welfare
- Any other area that contributes to achievement of the overall mission of IA&AD

This year a total of 50 eligible applications were received from various field offices of the IA&AD and wings in the office of the CAG of India. Eight teams were declared winners, and were conferred Awards by the CAG on 'Audit Diwas' - 16 November 2022. Details of the award winning projects are as follows:

Sl. No.	Awarded Project	Office	Team
1.	Estimation of quantum of Off-Budget Borrowings (OBBs)	Office of the Accountant General (Audit), Telangana	1. Ms. Saranya Baskar, IA&AS 2. Shri K V Kishore Kumar, Sr. Audit Officer 3. Shri Dilip Kumar Jena, Sr. Audit Officer 4. Ms. B Vasantha Lakshmi, Asst. Audit Officer
2.	Flaws in system adopted for preparation of Schedule of Rates	Office of the Principal Accountant General (Audit), Uttarakhand	1. Shri Pravindra Yadav, IA&AS 2. Shri Sudhir Shrivastava, Sr. Audit Officer 3. Shri Dinesh Ramola, Sr. Audit Officer 4. Shri Dharam Pal Singh, Sr. Audit Officer 5. Shri Deepak Malviya, Asst. Audit Officer 6. Shri Laxman Singh, Asst. Audit Officer
3.	Outcome-based Audit of Punctuality and Travel time in Train Operations over Indian Railways	Office of the Principal Director of Audit, North Central Railway, Prayagraj	1. Shri Sumant Narain, IA&AS 2. Shri Shishir Kumar, Asst. Audit Officer 3. Shri Digamber Jha, Asst. Audit Officer 4. Shri Prafull Kumar Prabhat, Asst. Audit Officer 5. Shri Alok Dwivedi, Asst. Audit Officer 6. Shri Vikalp Tiwari, Sr. Auditor

Sl. No.	Awarded Project	Office	Team
4.	Performance Audit of the Conservation of Coastal Ecosystems	Office of the Director General of Audit (Environment and Scientific Departments), New Delhi and Office of Accountant General (Audit-II) Tamil Nadu & Puducherry	<ol style="list-style-type: none"> <li>1. Shri Sanjay Kumar Jha, IA&amp;AS</li> <li>2. Shri Vishwanath Singh Jadon, IA&amp;AS</li> <li>3. Ms. Stefi Sofi, IA&amp;AS</li> <li>4. Shri J. S. Mohamed Ashraf, IA&amp;AS</li> <li>5. Shri Gautam Gahlaut, Sr. Audit Officer</li> <li>6. Shri K. Narayanan, Sr. Audit Officer</li> <li>7. Shri M. Senthilkumar, Sr. Audit Officer</li> <li>8. Ms. Priyanka Mohil, Sr. Audit Officer</li> <li>9. Ms. Deepa V.P., Sr. Audit Officer</li> <li>10. Shri K.R. Venkatasubramanian, Asst. Audit Officer</li> <li>11. Ms. B. Nirmala, Asst. Audit Officer</li> <li>12. Shri Charles D. Selwyn, Asst. Audit Officer</li> <li>13. Shri Maddirala Lokeswara Reddy, Asst. Audit Officer</li> <li>14. Shri Amit Dahiya, Asst. Audit Officer</li> </ol>
5.	Performance Audit of Land Acquisition and Allotment of Properties in NOIDA	Office of the Accountant General (Audit – II), Uttar Pradesh	<ol style="list-style-type: none"> <li>1. Shri Saurabh Narain, IA&amp;AS</li> <li>2. Ms. Vinita Mishra, IA&amp;AS</li> <li>3. Ms. Hansha Mishra, IA&amp;AS</li> <li>4. Shri Sanjeev Kumar, Sr. Audit Officer</li> <li>5. Shri Ganesh Chandra Jha, Sr. Audit Officer</li> <li>6. Shri Rishi Mathur, Sr. Audit Officer</li> <li>7. Shri Ashutosh Kumar Chaudhary, Asst. Audit Officer</li> <li>8. Shri Amit Kumar Choudhary, Asst. Audit Officer</li> <li>9. Shri Ajay Kumar Srivastava, Asst. Audit Officer</li> <li>10. Shri Shailesh Kumar Srivastava, Asst. Audit Officer</li> <li>11. Shri Awdhesh Kumar Chaubey, Asst. Audit Officer</li> <li>12. Shri Bhartendu Vikram Sonkar, Asst. Audit Officer</li> <li>13. Shri Vaibhav Mishra, Asst. Audit Officer</li> <li>14. Shri Sachin Kumar Jain, Asst. Audit Officer</li> </ol>

Sl. No.	Awarded Project	Office	Team
6.	Use of GIS and Simulation Studies for analysing the Preparedness and Response to Floods in Kerala	Office of the Principal Accountant General (Audit – I), Kerala	<ol style="list-style-type: none"> <li>1. Shri S. Sunil Raj, IA&amp;AS</li> <li>2. Ms. Anu Jose, IA&amp;AS</li> <li>3. Ms. Sandhya Ramachandran.S, Sr. Audit Officer</li> <li>4. Shri Suresh. K, Sr. Audit Officer</li> <li>5. Shri Sreejith Kulangaraparambath, Asst. Audit Officer</li> <li>6. Shri Hari Shankar.N, Asst. Audit Officer</li> <li>7. Ms. Asha Deepa. S.M, Asst. Audit Officer</li> <li>8. Shri Arjun Ramesh, Asst. Audit Officer</li> <li>9. Shri R. Harikumar, Asst. Audit Officer</li> </ol>
7.	Use of UAV Technology in Assessment of Plantations in Forest Department, Government of Odisha	Office of the Principal Accountant General (Audit-II), Odisha	<ol style="list-style-type: none"> <li>1. Shri Bibhudatta Basantia, IA&amp;AS</li> <li>2. Shri K Surjith, IA&amp;AS</li> <li>3. Shri Dinabandhu Behera-II, Sr. Audit Officer</li> <li>4. Shri Saroj Kumar Parida, Asst. Audit Officer</li> <li>5. Shri Dilip Kumar Hazary, Asst. Audit Officer</li> <li>6. Shri Manoranjan Tripathy, Asst. Audit Officer</li> <li>7. Shri Md. Imran, Asst. Audit Officer</li> </ol>
8.	Web based application under the ABHAAR -CG online GPF Final Payment System	Office of the Accountant General (Accounts & Entitlement) Chhattisgarh	<ol style="list-style-type: none"> <li>1. Shri Rajiv Kumar, IA&amp;AS</li> <li>2. Ms. Sheela Santosh, Sr. Accounts Officer</li> <li>3. Shri C Santosh, Asst. Accounts Officer</li> <li>4. Shri Arvind Kumar Maurya, Asst. Accounts Officer</li> <li>5. Shri Avinash Kumar Sinha, Asst. Accounts Officer</li> <li>6. Shri Vikash Kumar Mahato, Asst. Accounts Officer</li> </ol>

• **Category II- Awards for the most improved offices for the period 2019-22**

CAG's Awards for the most improved offices seek to recognise those offices working in the spheres of Accounting, Auditing and Training that showed maximum improvement in performance over a specified period of assessment i.e. the three preceding financial years. The endeavor is to encourage field offices to review their systemic strengths and weaknesses objectively every year and inspire them to compete with themselves to improve their own performance. Identification of

the most improved field office has been through a process of self-assessment on certain prescribed parameters. The scores assigned by the offices to themselves have undergone a rigorous process of verification by the functional wings and thereafter, independent validation by the Inspection and Peer Review wing of the CAG office.

These Awards were given under four categories of field offices viz. Accounts & Entitlement, State Audit, Union Audit and Training Institutes. The award winning offices for the period 2019-22 were:

Sl. No.	Category	Awardees
1	<b>Training Institutes</b>	Regional Training Institute, Nagpur
2	<b>Accounts and Entitlement Offices</b>	1. O/o PAG (A&E-I) Maharashtra, Mumbai 2. O/o DAG (A&E) Sikkim, Gangtok
3	<b>State Audit Offices</b>	1. O/o AG (Audit-II) Gujarat, Ahmedabad 2. O/o AG (Audit-I) Maharashtra, Mumbai 3. O/o PAG (Audit-I), Rajasthan, Jaipur
4	<b>Union Audit Offices</b>	1. O/o DGA (Defence Services), New Delhi 2. O/o DGA (Shipping) Mumbai 3. O/o DGA (Southern Railway), Chennai

### 5.1.3 National Online Essay Writing Competition

Citizen participation has been recognised as one of the fundamental dimensions for public accountability. Engaging young citizens would not only improve their understanding of governance and public accountability paradigm but also provide us with insights into their expectations of the institution of the CAG. Accordingly, as part of our outreach activities for Audit Diwas, a National Online Essay Writing Competition was organised for the youth on three curated contemporary topics viz.

- The CAG: Helping India achieve Panchamrit - five nectar elements to deal with climate change
- The CAG: Realising the Constitution's vision, Enlivening *Azadi Ka Amrit Mahotsav*
- CAG@2047: Imagine you are the CAG of India in year 2047. What will be your strategy for the institution?

The competition was open to all enrolled students of recognised University in India who could contribute essays in either English or Hindi. The essay competition elicited an enthusiastic response with total submissions exceeding 1,300 from all over the country. Seven winners were declared, four in English and three in Hindi essay categories as follows:



**English**

Prize Category	Name of the Recipient	Profile of the Recipient
<b>First Prize</b>	Shri Harsh	A student of Hidayatullah National Law University, Raipur, Chhattisgarh pursuing Law
<b>Second Prize</b>	Shri Ankesh	A student of National Law University, Odisha pursuing Law degree
<b>Third Prize (Joint Winners)</b>	Shri Kethavath Kumar Naik	A student of post graduate course at the Indian Institute of Technology, Guwahati
	Shri Brahmabhatt Yogiraj Hitesh kumar	A student of Aditya Silver Oak Institute of Technology, Ahmedabad, pursuing Engineering

**Hindi**

Prize Category	Name of the Recipient	Profile of the Recipient
<b>First Prize</b>	Shri Sarang Mukeshbhai Patel	An undergraduate student of Naturopathy and Yogic Science at Gujarat Ayurved University
<b>Second Prize</b>	Ms. Sakshi	A student of University of Kota, Rajasthan pursuing graduation studies
<b>Third Prize</b>	Ms. Madhuri Chandrakar	A student of Autonomous College, Raipur, Chhattisgarh pursuing graduation studies

The winners received cash prizes of ₹30,000 (First prize), ₹20,000 (Second prize), ₹15,000 (Third prize) respectively, at the Audit Diwas on 16 November 2022.

#### 5.1.4 Release of 'Compendium of New Initiatives and Good Practices in the CAG's organisation'

The second edition of '**The Catalysts....in pursuit of Good Governance**' - a Compendium of new initiatives and good practices in the CAG's organisation, was released by the CAG. The Compendium, released in both Hindi and English, is a compilation of new initiatives and best practices in Field Offices and Functional Wings under the CAG. The initiatives cover a wide range of activities, such as use of technology in audit, business process improvements, capacity building, and impactful audits conducted during the year. The compendium showcases the efforts of our Institution to constantly innovate and improve our standards of auditing and accounting to deliver better value to our stakeholders.

#### 5.1.5 Screening of docu-drama 'Anveshan-A Voyage of Discovery'

As a part of Audit Day celebrations, a docu-drama titled 'Anveshan' (अन्वेषण) on the Supreme Audit Institution of India was screened on 16 November 2022. This docu-drama was also launched online on YouTube ([https://www.youtube.com/watch?v=Af5e9vG\\_uJ4](https://www.youtube.com/watch?v=Af5e9vG_uJ4)).



# CHAPTER 6

## **30<sup>th</sup> Accountants General Conference**



## 6.1 Significance

The Supreme Audit Institution of India, constantly strives to discharge its professional duties, both as an auditor and an accountant, in accordance with international best practices. The environment in which audited entities, and consequently audit, functions is very dynamic - both in terms of structure and methods of implementation of public policy as well as in the practice of audit and accounting. In order to keep pace with this dynamic environment, it is important that the SAI India keeps reinventing and rejuvenating itself. A regular internal and external consultative process facilitates this effort to adapt and upgrade professional practices, structures and methods of functioning. With this in mind, the SAI India regularly organises seminars, conferences and workshops. The Accountants General Conference, is a forum for the senior functionaries of SAI India to deliberate on key strategic issues relating to governance and public accountability. It also provides an important opportunity to share experiences and discuss the entire gamut of audit practices. The primary objective of the Accountants General conference is to provide an enabling forum for stimulating, vibrant, widespread participation, which yields actionable recommendations to take the Institution Onward and Upward. The 30<sup>th</sup> Accountants General Conference was held on 16 and 17 November 2022 in CAG office, New Delhi juxtaposed with the Second Audit Diwas celebration on 16 November 2022.



Officers of SAI India participating in 30<sup>th</sup> Accountants General Conference held on 16-17 November 2022

### 6.1.1 Theme of the 30<sup>th</sup> Accountants General Conference

The overarching theme of the 30<sup>th</sup> Accountants General Conference was 'SAI India: Contributing to India Onward & Ahead'. Accordingly, discussions and deliberations on the following four themes were held during the Conference:

- i. OIOS: Towards transformation
- ii. Next steps towards Strengthening Local Bodies Audit
- iii. Identifying Socially Relevant Audits
- iv. Reporting on Sustainability of the State Finances



The discussions on 16 November 2022 were preceded by a presentation on Data Analytics by the Chief Technology Officer.



CTO giving presentation on Data Analytics

### 6.1.2 Valedictory address by the Hon'ble Speaker of Lok Sabha

Shri Om Birla, Hon'ble Speaker of Lok Sabha graced the valedictory session on 17 November 2022. Speaking on the occasion, Shri Om Birla said that CAG is among the most effective and prestigious audit institutions in the world. He added that the discussions and positive suggestions on CAG reports within the House and Parliamentary Committees strengthen nation's democracy. Shri Birla expressed happiness that the CAG report is discussed in the House going beyond party lines and decisions are taken in the interest of the nation.



Hon'ble Speaker Lok Sabha Shri Om Birla addressing the officers of SAI India



On the role of the CAG, Shri Birla said that the Constitution has given it a comprehensive and dynamic role and has ensured that its allegiance is only to the Constitution and the nation. Expressing satisfaction, Shri Birla emphasised that CAG is the world's leading audit body because of its best practices and is known all over the world for presenting independent, reliable, balanced and timely reports related to public finance and governance.

Regarding the increasing role of CAG in the changing scenario, Shri Birla observed that the importance of CAG reports and the relevance of audit have increased in the country. He added that the CAG has an outsider viewpoint while assessing the working of the government, which leads to financial savings and efficient planning. Describing transparency and accountability of governance as the cornerstone of parliamentary democracy, Shri Birla opined that effective and efficient use of public money is the aim of both Parliament and Government. In this regard, Shri Birla highlighted the role of CAG in ensuring fiscal discipline of States.

Mentioning about India's rapidly growing economy, the Hon'ble Speaker of Lok Sabha said that in the era of digital economy, strong digital infrastructure and digital financial records are going to make the role of CAG even more challenging. He added that in order to meet these challenges, it is necessary to have skills and training as well as knowledge in the latest technology. Shri Birla expressed confidence that CAG is adopting innovations in the field of auditing as per the needs of the country which will make it more empowered and productive.

### 6.1.3 Valedictory address by the Comptroller and Auditor General of India

The CAG in his valedictory address stated that its chief function is not only to examine facts and figures and prepare quality audit reports, but also select relevant issues for auditing priority. 'We must ensure that the work of the Parliamentary Committees and our own audit reports are harmonised and synchronised to the fullest extent possible. This is of utmost importance to ensure effective Parliamentary oversight over the Executive' he added.

The CAG added that Governments commit large-scale transformative interventions involving substantial public money in response to socio-economic demands of its constituents and it was becoming increasingly important to ensure that the benefits of these various public schemes and programmes actually reach the intended target groups and sectors. The CAG further stated that our performance audits provide useful inputs on the economy, efficiency and effectiveness of such interventions, which ultimately contributes to strengthening of legislative scrutiny.



Valedictory address by CAG of India

Talking about the themes of the conference the CAG stated that the 15<sup>th</sup> Finance Commission has recommended a grant of ₹ 4,36,361 crore to support various programmes of the duly constituted local governments for a five-year period between 2021 and 2026. Keeping in view of this huge public fund disbursement across the country, one of the theme of discussion dealt with strengthening the audits of local bodies. This is a significant step, as there is a need to assure that the grants are properly utilised and programmes and schemes are effectively implemented. Our audits of local bodies, therefore, need to verify whether the crucial fiscal steps, as recommended by the Commission, such as (i) setting up State Finance Commissions (ii) acting upon its recommendations (iii) presenting the action taken to the state legislatures concerned (iv) putting the accounts of local bodies in the public domain and (v) fixing minimum rates for property taxes, have been met. Local government authorities would also need to independently verify whether the grants provided for basic social services, such as sanitation and meeting the open defecation-free target, solid waste management, drinking water provisions, rainwater harvesting and water recycling, have been effectively used for the purposes, as recommended.

Regarding the theme of Identifying Socially Relevant Audits CAG stated that the thrust of a large number of government interventions is for the social and economic uplift of the most deprived sections of our society. There is a pressing need to ensure the success of these programmes and to prioritise audit reviews, accordingly. This will help both the government, as well as, Parliament to identify areas of deficient performance and ensure that the executive thrust on remedying the identified deficiencies are tackled as early and as effectively as possible. The realm of governance is undergoing rapid and complex changes today. It has its own set of challenges. We see involvement of multiple actors in public service delivery and application of complex IT platforms to provide public policy solutions. It is inevitable that we too understand and assimilate these challenges, and evolve accordingly. We have already taken a few initiatives in this direction, by honing on our data analytics skills and by designing special accounting models for proper utilisation of the country's natural resources.



CAG addressing the officers at the Conference

The next theme of this conference was on improving reporting on sustainability of state finances. The fiscal health of Indian states is a relevant issue that warrants careful assessment. In our State Finance Audit Reports, we have been consistently highlighting risk factors that impact state finances, such as increasing committed expenditures, rising outstanding public debts and liabilities, low mobilisation of own resources comprising revenue from tax and non-tax sources and high arrears in revenue collection. Negative trends in various deficit parameters under the Fiscal Responsibility & Budget Management Act, non-achievement of Medium Term Fiscal Plan Targets are among other concerns. The CAG further added that the Reserve Bank of India and the 15<sup>th</sup> Finance Commission have also taken note of the potential sources of fiscal risks for Indian states, including declining own tax revenue, relaunching of old pension schemes in some states, rising dues of loss-making power distribution companies, and the periodic disbursement of farm-loan waivers and subsidies.

Highlighting other issues, the CAG pointed out that 'there is an urgent need to balance systemic oversight with micro-level oversight, in order to arrive at a satisfactory balance between overall assessment of executive interventions at the system level and deterrence from deviant executive action at the micro-level'.

The CAG underlined the second issue which is ensuring unhindered access to all records including electronic records required for audit to ensure Parliamentary scrutiny through CAG's oversight. Underscoring its importance, the CAG stated that in the ongoing era of e-governance, wherein large sets of data are being digitalised, concerns, if any, in regard to privacy and data security, can undoubtedly be met by working out suitable modalities. We also need to actively work with the concerned departments to sort out any obstructions in accessing records in a time-bound

manner, so that the Parliamentary mandate of scrutinising Executive action is not affected in any manner.

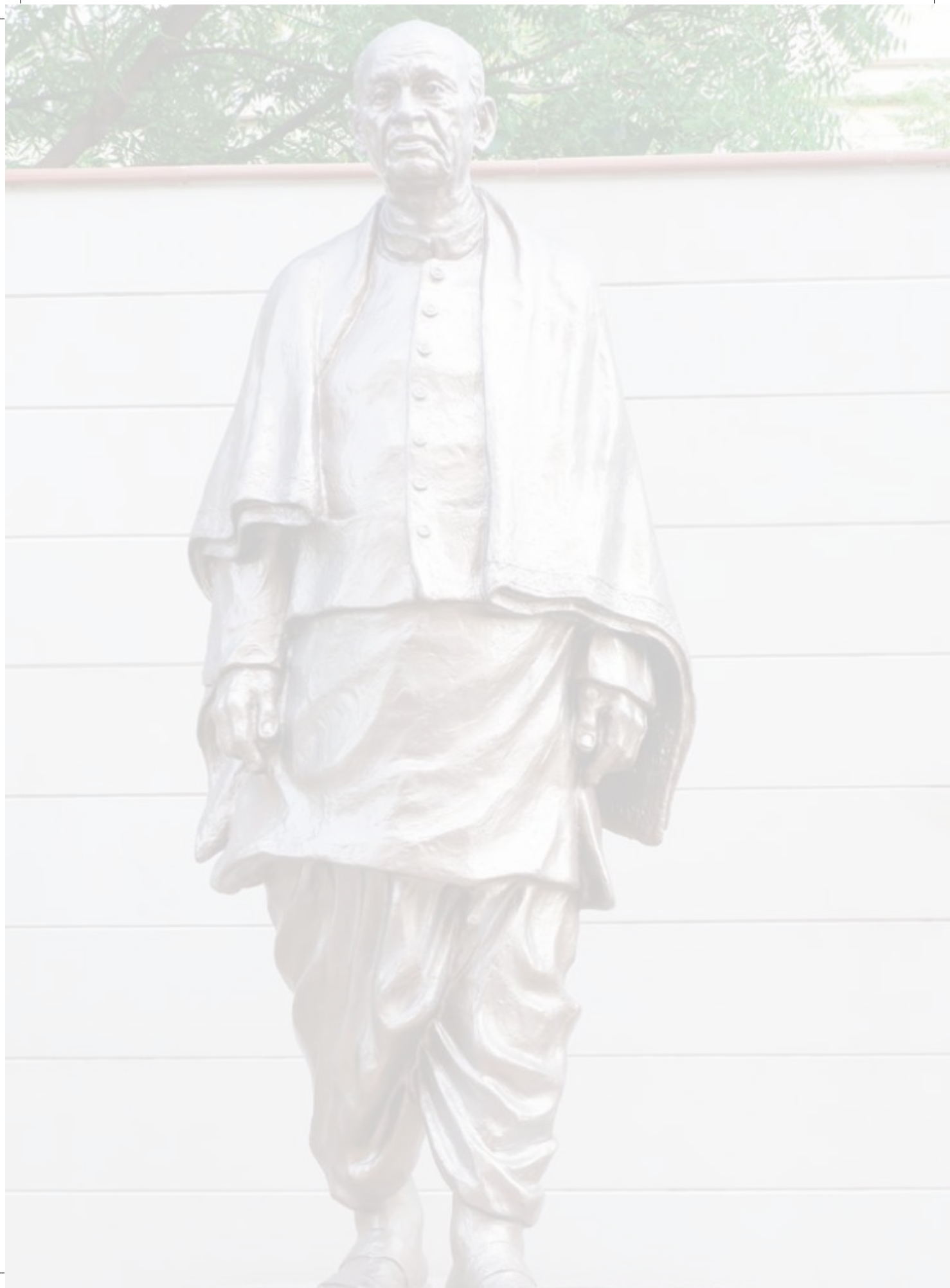
The CAG emphasised the importance of continuously adopting international best practices in our auditing process and enhancing our professional competence, while maintaining the inherent strength of the audit practices that we have assiduously developed and incorporated in our audit methodologies over the years.

Discussing further on the Reporting on Sustainability of the State Finances, the CAG stated that 'although there is no doubt that public financial management has become complex at all levels, prudent management is vital to ensure that public resources are utilised efficiently in a time bound manner and maximum value for money is available to the public exchequer. The timely feedback received through the well-defined audit process provides useful feedback. The relationship between the Executive and Audit, therefore, has to be a constructive one'.

Concluding his address, the CAG said that the sharing of ideas and experiences during the two-days would add value for streamlining the existing audit processes and methodologies, and thereby, improve governance of this country.

# CHAPTER 7

**Other activities,  
no less important**





## 7.1 Efforts to promote *Rajbhasha*

### 7.1.1 Publication

During 2022-23, four issues (138<sup>th</sup> to 141<sup>st</sup>) of the quarterly *E-Patrika* of *Rajbhasha* section (Headquarters office), "*Lekha Pariksha Prakash*", were published. In order to promote the Official Language, special attention was given to the quality of the content related to Official Language as well as compositions of the magazine as per the norms fixed by *Rajbhasha Vibhag*, Ministry of Home Affairs, Government of India. Field offices are also regularly publishing their own *Rajbhasha* Magazines to promote the official language.

### 7.1.2 Implementation of Official Language

- a) In each quarter, a meeting of Official Language Implementation Committee is required to be conducted under the chairmanship of the Dy. CAG/Addl. Dy. CAG holding the charge of *Rajbhasha*, to review the usage of *Rajbhasha* in the Headquarters office, in accordance with the Annual programme of *Rajbhasha Vibhag*, Ministry of Home Affairs, Government of India. During the year, 179<sup>th</sup>, 180<sup>th</sup>, 181<sup>st</sup> and 182<sup>nd</sup> Quarterly meetings were conducted to review the usage of *Rajbhasha* in the Headquarters office.
- b) As per the Annual Programme of the Government of India, Department of Official Language, Ministry of Home Affairs for 2022-23, in order to create an encouraging atmosphere for the implementation of the Official Language Policy and to decrease the hesitation of officials in doing Government work in Hindi, a one-day Hindi Workshop was organised on 16 January 2023 for officers/staff of this office. Approximately 90 officers/staff members were nominated for this workshop.
- c) In order to promote usage of *Rajbhasha*, Headquarters office organised the '*Hindi Pakhwada*' from 14 - 29 September 2022. During this period, various competitions like Noting and Drafting, Hindi typing, Hindi Translation, Essay Writing in Hindi etc., were organised. More than 75 officers/officials participated during this *Hindi Pakhwada*. It was organised successfully in other field offices of SAI India as well. This helped in creating awareness and enthusiasm among the employees towards implementation of the Official Language.
- d) In order to review the compliance of the Official Language Acts/rules etc. annual meetings of the Central Official Language Implementation Committee are conducted by the Department of Official Language (Ministry of Home Affairs). In 2022-23, the 44<sup>th</sup> Annual Meeting was organised by the Department of Official Language (Ministry of Home Affairs) on 15 November 2022. Director General (*Rajbhasha*) represented the office of Comptroller and Auditor General of India in this meeting.
- e) Quarterly Progress Reports of our office were submitted to the Department of Official Language online in each quarter within the target date 30 days from the completion of each quarter.

Inauguration of *Hindi Pakhwada* Week by ADAI (Staff)CAG of India, DAI (HR, IR & Coordination) and ADAI (Staff) at the closing ceremony of *Hindi Pakhwada* week

### 7.1.3 Inspection of Field offices and Sections of Headquarters

As per the target prescribed by Department of Official Language (Ministry of Home Affairs) in the Annual Programme, minimum 25 *per cent* of the field offices of CAG of India and Sections in Headquarters office are required to be inspected every year by *Rajbhasha* Section.

During the year 2022-23, planned inspection of 52 field offices and 15 sections of Headquarters office was completed. These inspections were conducted to review the compliance of the Official Language Acts/rules etc.

#### 7.1.4 Translation Work in the *Rajbhasha* Section

As required under section 3(3) of the Official Language Act, the following documents were translated in Hindi before dissemination:

- (a) Audit Reports (Commercial, Railway, Direct and Indirect Taxes) to be laid before the Houses of the Parliament.
- (b) Performance Report, press communiques, general orders, rules, contracts and agreements and tender notices.

#### 7.1.5 Appraisal by Department of Official Language, Ministry of Home Affairs

Department of Official Language, Ministry of Home Affairs in its letter dated 21 March 2023 appreciated efforts of our office for achieving the targets of Official Language in a commendable manner and encouraged the institution of CAG for future compliance.

#### 7.1.6 Functioning of *Rajbhasha* in various field offices

To promote progressive use of Hindi language, field offices of SAI India are going the extra mile in order to comply with the rules and regulations related to *Rajbhasha*. Quarterly meetings of Official Language Implementation Committee are conducted regularly which are headed by respective HODs to review the progress of *Rajbhasha*. Hindi Workshops are also being conducted on regular basis. Besides attending the meetings of *Nagar Rajbhasha Karyanwayan Samiti* (NARAKAS), field offices are also organising '*Hindi Pakhwada*'. Most of the field offices are publishing periodic Hindi magazines. During the year 2022-23, field offices have conducted 165 in-house training programmes in which 1,910 employees participated.

### 7.2 Town Hall meetings

In an endeavour to establish a two-way communication channel between Staff Wing at Headquarters and the Staff & Administration of the field offices, Town Hall meetings in different locations across India were initiated.

Town Hall Meetings were convened at Bengaluru on 14-15 June 2022 at Raipur on 12-13 September 2022 and in Tripura on 22-23 December 2022.

Issues/grievances/suggestions of the stakeholders received during these meetings were duly examined and queries of staff received through more than two hundred e-mails for the Town Hall meetings were addressed. This initiative helped Headquarters to establish a direct channel of communication with the staff in the field.

### 7.3 Infrastructure development

To augment office space, as well as residential units for the use of personnel of SAI India at various stations all over India, several building projects have been taken up, as detailed below:

#### 7.3.1 The following projects were completed during the year:

1. Gandhinagar-Land acquisition for construction of IA&AD Office-cum-residential complex in Gandhinagar was completed
2. Proposal for land acquisition in Agartala, Tripura was finalised.

#### 7.3.2 The following projects are under construction:

1. Matter of IA&AS Pool House at Sarojini Nagar, New Delhi (NBCC project) is being actively pursued for finalisation.
2. Proposals for acquisition of land/buildings for housing arrangement for officers/staff of IA&AD at Shimla, Bengaluru and Pune were under active consideration.
3. Aizawl- Construction of residential complex.
4. Bengaluru- Construction of office building at H. Siddaiah Road.
5. Kolkata- Construction of residential complex at Ultadanga.
6. Mumbai- Construction of residential complex at Bhandup.
7. Ranchi- Construction of Sport complex.
8. Ranchi- Construction of office building for MAB.
9. Shimla- Repair, Rehabilitation and strengthening of Chadwick House and construction of service centre.
10. Shimla- Restoration work of Gorton Castle building.

#### 7.3.3 The following projects are at planning stage:

1. Goa- Construction of Annexe and residential building.
2. Imphal- Construction of additional quarters.
3. Puri- Restoration of Dhen Kanai House.
4. Thiruvananthapuram-Construction of residential quarters.
5. Gandhinagar- Construction of office-cum residential complex.

### 7.4 Participation and Achievement in Sports

CAG's sports teams have been actively participating in sports activities (both in India and Overseas) mainly in Cricket, Hockey, Football, Badminton and Table Tennis and have proudly won many accolades.

- In Cricket, the team lifted the Winner's Cup in Pradeep Memorial Cricket Tournament held at Bhadrak, Odisha in January 2023.
- The Hockey team lifted the Nehru Gold Cup held at Secunderabad in January 2023.
- The Football team won the All India Football Tournament held at Una in February 2023.
- In Table Tennis, CAG's Veteran Men's Teams (40+ and 50+ age category) were adjudged the winner and won Gold medals in 28<sup>th</sup> National Masters Table Tennis Championships held at Srinagar in August 2022.
- The Badminton team won two Gold, five Silver and four Bronze medals in Individual events in Veterans National held at Goa in March 2023. The team also reached the finals of Central Zone Badminton Championship after defeating Railways in semi-final and won silver medal.

## 7.5 Spreading awareness about Sexual Harassment at Work

Government of India in December 2013 notified the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (commonly known as PoSH Act) with a view to provide a safe and secure environment to women at the workplace. As per the instructions of the Ministry of Women and Child Development, this year '16 Days of Activism' against gender based violence was to be observed by various offices and organisations for raising awareness about elimination of all forms of violence and discrimination against women so as to ensure safety, security and holistic empowerment of women.

In compliance with the instructions, a five-days long 'Awareness Programme on Sexual Harassment of Women at Workplace' was organised in the office of CAG from 5 - 9 December 2022. Besides creating awareness on this topic, the theme of this programme was elimination of violence and discrimination against women. The chronology of the events held on the occasion, is as follows:

- An awareness programme on PoSH Act was conducted on 5 December 2022 with the aim of familiarising the employees of SAI India about the mandate of this Act. AC(N) addressed the employees during the opening ceremony and employees of the department presented their views through presentations prepared to raise awareness on the subject among the staff.



Chief Guest Ms. Preeti Monga delivering her speech on PoSH Act

- On the second day of the programme: Ms. Preeti Monga, Founder and CEO of Silver Linings Services the Chief Guest for the function encouraged the audience with her Speech on PoSH Act. The programme was chaired by Director General (Hqrs.).
- On 7 December 2022, a Speech Competition was organised followed by a Quiz Competition on 8 December 2022.
- The programme concluded with the Prize distribution ceremony on 9 December 2022. Prizes were awarded to the winners of both the competitions.
- DG (Staff) distributed the prizes to the winning participants/teams.

An e-Learning Module on "Prevention of Sexual Harassment of Women at Workplace" was prepared, and uploaded on the SAI Training portal in February 2023.



DG (Staff) with the winners during the prize distribution ceremony



## 7.6 Innovation in records maintenance

Pension Authorization Section in Office of the Principal Accountant General (Accounts & Entitlement)-II, Maharashtra, Nagpur had taken initiative to enable tracking of records required for revision of pension cases and thereby, giving the section a complete makeover and a modern look, with distinct colour code to each district's PPO registers for swift identification, so that the requisite record is easily traced for revision cases received in the section.



Colour coded records





## Section-4

# Interaction with stakeholders

- ◆ **Chapter 1**  
Our interaction with Legislative Committees
- ◆ **Chapter 2**  
Audit Advisory Board
- ◆ **Chapter 3**  
Climbing the learning curve



Headquarters of SAI India

# CHAPTER 1

## **Our interaction with Legislative Committees**





Our primary stakeholders include the Parliament, State Legislatures and the citizens of the country. The Parliament and State Legislatures have Public Accounts Committees (PAC) and Committees on Public Undertakings (COPU), which examine the audit reports submitted by SAI India. Other key stakeholders include government departments and ministries, as well as organisations and individuals with specific interest in the subjects of the audits conducted by SAI India.

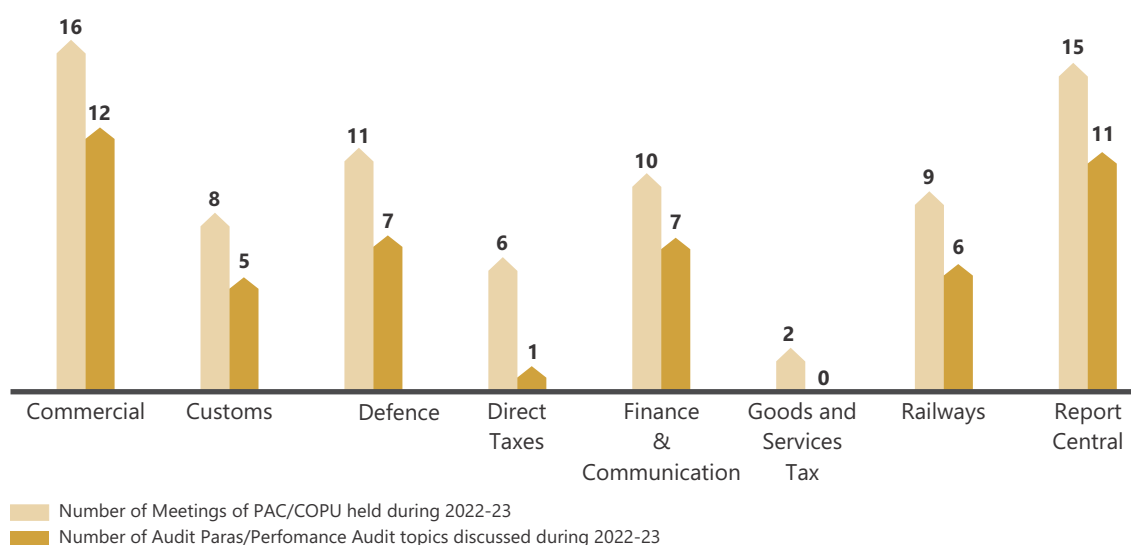
Communication with our stakeholders is a continuing and dynamic process. Our interaction with clients and stakeholders helps us in understanding their expectations from SAI India and gives meaning to the assurance and accountability that we deliver through our work.

### 1.1 Interaction with Public Accounts Committee and Committee on Public Undertakings

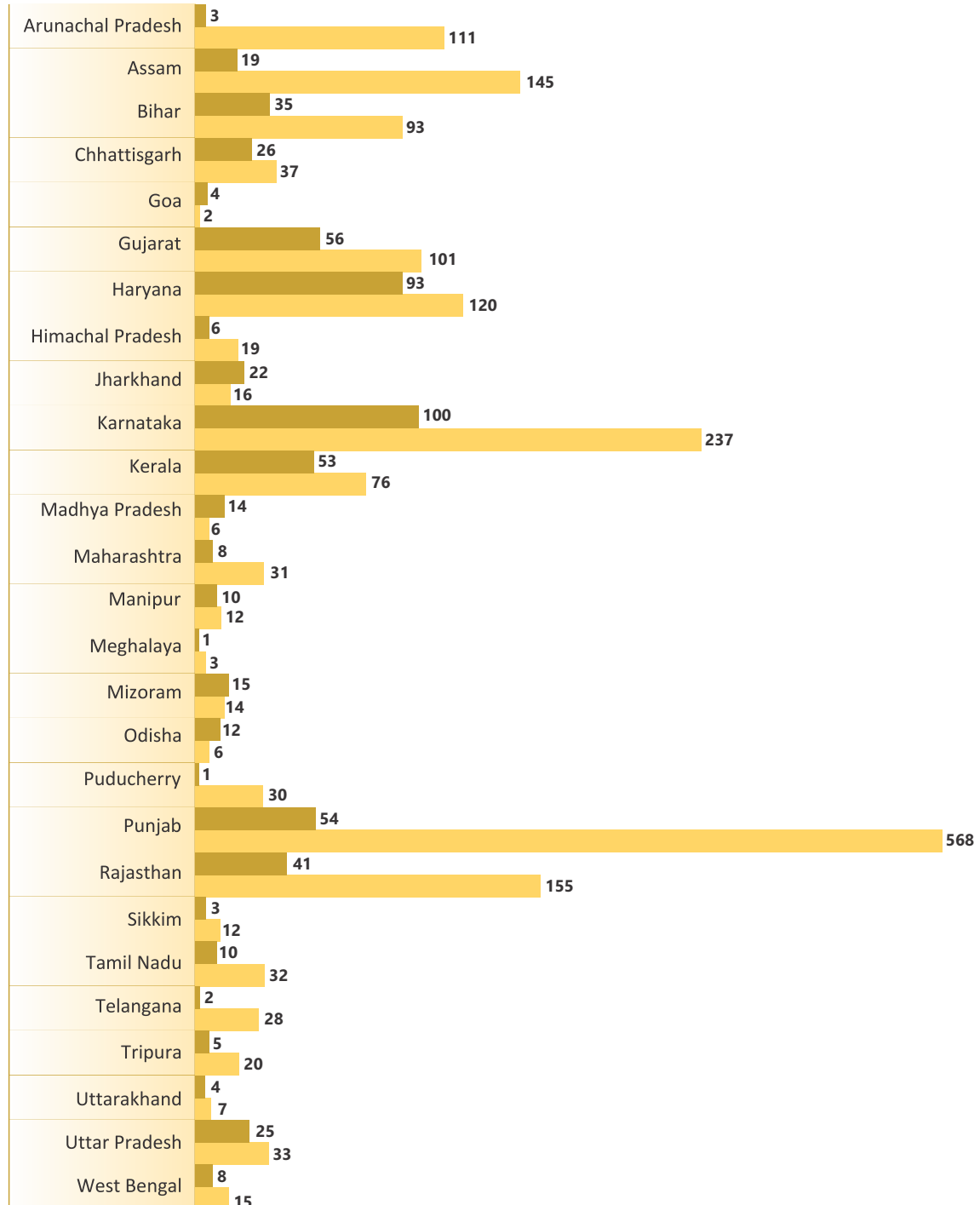
The Public Accounts Committees (PAC) and Committees on Public Undertakings (COPU), at the Union and State levels are our main partners in ensuring public financial accountability. CAG's Audit Reports that are tabled in the Parliament/Legislature stand referred to the PAC/COPU. CAG assists in the working of the Committees, by preparing a Memorandum of Important Points for discussion on Audit Reports. The CAG and his representatives assist the PAC/COPU in their examination of witnesses during their meetings.

The Executive is required to report on the action taken on the recommendations of the Committees. The Committees then publish an Action Taken Report. In case of audit observations not discussed in the meetings, the Executive is required to furnish Action Taken Notes thereon. Both the Action Taken Reports and the Action Taken Notes are duly vetted by Audit before they are furnished to the Committees.

During 2022-23, the Central PAC/COPU held 77 meetings wherein 49 Audit Paras/Performance Audit topics were discussed. The Wing-wise position of meetings and Audit Paras/ Performance Audit topics discussed in the PAC/COPU is shown below:



The PAC/COPU in the States met on 630 occasions during 2022-23 and discussed 1,929 Audit Paras/Performance Audit topics, as indicated below:



Number of Audit Paras/Performance Audit topics discussed during 2022-23  
 Number of Meetings of PAC/COPU held during 2022-23

## 1.2 Interaction with Members of Legislative Committees in Punjab

Members of Legislative Committees were invited to the office of PAG (Audit) Punjab on the occasion of 2<sup>nd</sup> Audit Diwas celebrations on 29 November 2022. The meeting was attended by Members of Legislative Committees including Hon'ble Speaker, *Punjab Vidhan Sabha* and officials of PAC, COPU and Committee on PRIs & ULBs.

A brief presentation highlighting CAG's history and mandate; structure of field offices of CAG; functioning of the Office of the PAG (Audit), Punjab; types of Audit and audit products; Audit Planning and audit process; recent issues highlighted in Audit Reports of the Government of Punjab and the role of CAG and Legislative Committees in public financial accountability was given to the Members.

Legislators were apprised about non-furnishing of timely replies to the audit observations by various departments of Government of Punjab and its impact of delaying discussion on Audit reports in Legislative Committees which in turn dilutes the financial accountability due to time lag.

Hon'ble Speaker Shri Kultar Singh Sandhwan emphasised that non-submission of replies to audit paragraphs by the Departments results in lack of action on the part of the Departments to carry out the requisite streamlining. He desired that legislative committees should fix the accountability from the lowest to highest levels of Governance.



# CHAPTER 2

**Audit  
Advisory  
Board**





## 2.1 CAG's Audit Advisory Board

An Audit Advisory Board (AAB) advises the CAG in matters relating to audit including coverage, scope and prioritisation of audits together with suggestions on audit approaches and techniques within the framework of the constitutional and statutory mandate of the CAG.

The members of AAB function in an honorary capacity. The Board consists of eminent persons in diverse fields and Deputy Comptroller and Auditors General from the Department. The first AAB was constituted in 1999. Since then, as on 31 March 2023, the Board was reconstituted nine times (2001, 2003, 2006, 2009, 2011, 2013, 2015, 2018 and 2021). The constitution of the Tenth AAB was notified in April 2021 for a term of two years. The list of external members of the 10<sup>th</sup> AAB is given in Chapter 3 of Section 1 of this report.

Second meeting of the Tenth AAB was held in October 2022 wherein deliberation on 'Fiscal sustainability of State Finances' was taken up. Third meeting of the 10<sup>th</sup> AAB was held in March 2023 wherein discussions on two subjects: (i) Issues relating to Micro, Small and Medium Enterprises sector that can be examined in Audit and (ii) Annual Audit Plan 2023-24 were taken up. Presentations on both the topics were made to open discussions on the respective topics.



Third meeting of the Tenth Audit Advisory Board



Members of the Tenth Audit Advisory Board of CAG during its 3<sup>rd</sup> Meeting in March 2023

## 2.2 State Audit Advisory Boards

State Audit Advisory Boards (SAAB) are similarly constituted in the States. The SAABs serve to enhance the effectiveness of our audits by leveraging from discussions with experienced professionals from varied fields. During 2022-23, the meetings of the SAABs were held in the States of Bihar, Chhattisgarh, Gujarat, Karnataka, Kerala, Madhya Pradesh, Manipur, Meghalaya, Mizoram, Punjab, Sikkim, Tamil Nadu and Uttarakhand.



State Audit Advisory Board, Uttarakhand

# CHAPTER 3

## Climbing the learning curve





### 3.1 Interaction with Audited Entities

Our audited entities are amongst the key stakeholders in the audit process. Our interaction with them takes place on a continuous basis - before, during and after audit. Interaction with the senior levels of auditee management is encouraged to develop a cooperative approach to identify risk areas. Our audit programmes are communicated well in advance to the audited entities. All audit teams conduct entry and exit conferences, at the beginning and closure of the audits. At every stage of audit, the audited entity is given an opportunity to respond to audit queries and findings. Field offices also participate in Audit Committee meetings organised by Ministries/Departments to discuss and take action on the audit observations included in the Inspection Reports and those printed in the CAG's Audit Reports. Officials from audited entities are invited to Seminars/Workshops and Training Courses organised in the Department.

We held several interactions with audited entities during the year. Some of these are mentioned below:

#### 3.1.1 Interaction with the Ministry of Health and Family Welfare, Government of India

A high level meeting was held with the Hon'ble Minister and senior officials of Ministry of Health and Family Welfare, Government of India in October 2022 wherein a presentation was made by the senior officials of SAI India on the recent Audit Observations on Health Sector in India. Detailed deliberations were held on issues related to Financial allocation, Incomplete infrastructure, Bio medical waste management, Equipment, Drugs, and Human Resource pertaining to the Health Sector. The Hon'ble Minister while appreciating the discussion stated that this would be very useful towards improvement of Health sector in India through corrective action and follow up of audit observations.

#### 3.1.2 Interaction with Railway Board

An interaction was held with the Railway Board in March 2023 regarding Annual Audit Plan 2023-24 and for soliciting suggestions on the same from the Railway Board. Valuable suggestions for more effective audit were obtained.

#### 3.1.3 State specific interactions

##### Madhya Pradesh

In order to develop an understanding of the working of departments and get an oversight of the schemes running under them, their funding pattern, oversight mechanisms, etc., meetings/presentations with Heads of the Departments, Heads of the field units, PSUs etc. were initiated which helped us in prioritising the focus areas for audit in the upcoming audit plan. Under this initiative, 19 meetings with 16 Departments were conducted.

In addition, a meeting co-chaired by the Principal Accountant General and Retd. Additional Chief

Secretary was convened in September 2022 on the compliance audit topic 'Allotment and Management of Government Land' to deliberate on the key issues involved in this topic and impart training to the members of the field audit parties with a view to making value addition in the field coverage.

### **Odisha**

In the context of Performance Audit on "System & Controls on assessment and collection of mineral receipts", a discussion on Average Sale Price (ASP) calculation and approval of mining plan was held in February 2023 with the officers from Indian Bureau of Mines (IBM).

### **Maharashtra**

To spread knowledge about the roles and the functions of IA&AD and the Office of the Accountant General among the stakeholders, an exhibition was organised in November 2022 in which Principal Chief Conservator of Maharashtra was invited as the Chief Guest. In the exhibition, more than 50 posters reflecting the institution of CAG of India, the process followed in audit and past audit reports and slogans on relevant contents were displayed. Audit Reports of last 20 years were also exhibited. A quiz programme was organised for the visitors. The exhibition was open to the public.

### **Rajasthan**

A seminar was held on the topic "Role of CAG in fostering good governance" in November 2022 with various external experts from different fields. Five separate sessions were held respectively under the Chairmanship of Hon'ble chairman of PAC Shri Gulab Chand Kataria, Shri Sudhanshu Pant, DG, HCM RIPA, Shri V. K. Vijay, Pr. Controller of Defence Accounts, Shri Rameesh Kailasam, CEO, indiatec.org. and Shri Nikhil Dey, MKSS. The deliberation during the seminar was very fruitful and it provided an ideal platform for interaction between the audit and the executives.

### **Kerala**

Faculties from the Kerala Water Authority delivered lectures for familiarising with the work of Kerala Water Authority during the Quarterly Conference of AMG-II wing for the quarter ended 31 March 2023.

### **Tamil Nadu**

State Level Apex Committee meeting was held under the Chairmanship of Chief Secretary to the Government of Tamil Nadu for discussing the pending status of Inspection Reports, Explanatory Notes and Action Taken Notes. Principal Accountant General (Audit II), Tamil Nadu & Puducherry, Additional Chief Secretaries/Principal Secretaries/Secretaries to Department of Secretariat participated in the meeting. The Chief Secretary issued instructions to all the Head of the Departments and the Secretaries to prioritise clearing up of audit paras regularly by giving replies at an early stage, along with supporting documents. Chief Secretary also directed that the Departmental Audit committee meetings be conducted regularly. The Departmental Secretaries assured to take necessary action for reducing the pendency.



### 3.2 Interaction with academic and professional institutions

We interact with a number of academic and professional institutions. Senior Officers of the Department are nominated on Central Councils of Institutes, such as the Institute of Chartered Accountants of India (ICAI), Institute of Company Secretaries of India (ICSI) and Institute of Cost Accountants of India (ICWAI). By virtue of being Council members of ICAI, the Officers are also nominated on various Committees/Boards of the Institute, such as the Accounting Standards Board, Auditing and Assurance Standards Board, Internal Audit Standards Board, Professional Development Committee, Ethical Standards Board, Committee on Information Technology, Peer Review Board etc., ensuring constant interaction with these professional bodies. Our training institutions also remain in touch with various academic institutions, for faculty support in training our staff and officers.

### 3.3 Interaction with Media

We have a documented communication policy that guides our interactions with external stakeholders. The Communication Policy wing at the Headquarters Office headed by the Media Advisor is responsible for effective communication with print/electronic media and public. The Media Advisor officiates as the spokesperson at Headquarters. The Principal Accountant General or the senior most Accountant General level Officer where there is no Principal Accountant General in the State is responsible for effective communication with the media in the States/UTs.

We undertake a range of actions to communicate audit messages to our clients after audit reports are presented to Parliament and State Legislature. Press briefs are issued highlighting the contents of the Audit Reports after their presentation in the Parliament/State Legislature. The reports are made available on our website.

Such interaction is intended to disseminate information about the Department, the Audit Reports and to issue clarifications, if any, needed by our stakeholders or to remove distortions or misrepresentation of facts by any external agency.

### 3.4 Workshops, Lectures and other events

Accountability in governance rests upon the foundation of robust public financial reporting. SAI India aims to promote accountability and transparency in governance, through high quality auditing and accounting, thereby providing independent assurance to stakeholders i.e. the Legislature, the Executive and the Public, that public funds are being used efficiently and for the intended purposes.

In order to fulfill this mission, the SAI India constantly strives to discharge its professional duties in accordance with international best practices, implying *inter alia* that auditors are seen as partners in upgrading governance, with its audit reports serving as an aid to governance. There is a perceptible increase in the demand for transparency and accountability in public sector service delivery.

The environment in which the audited entities and, consequently, audit functions is dynamic, both in terms of structure and methods of implementation of public policy, as well as in the practice of audit and accounting. As such, in order to keep pace with this dynamic environment, it is important for the SAI India to keep reinventing and rejuvenating itself. Regular internal and external consultations with stakeholders facilitate this effort to adapt / upgrade professional practices and our structures and methods of functioning, as also to remain sensitised to the environment in which our audited entities operate. To facilitate such consultations, the SAI India regularly organises a number of workshops, lectures and other events where domain experts and senior public servants participate and share their knowledge with other personnel.

Following Workshops/Lectures involving external experts were conducted during the year:

- i. **First regional seminar on Natural Resource Accounting of four States :** The Government Accounting Standards Advisory Board (GASAB) brought out a Compendium of Asset Accounts on Mineral & Energy Resources for the year 2020-21 in October 2022. The Compendium consists of the compilation of 107 minerals in 28 States and Union Territory of Jammu and Kashmir. A meeting was held at iCED, Jaipur on 10 – 11 January 2023 with four States namely Gujarat, Rajasthan, Uttar Pradesh and Uttarakhand, to discuss lessons learned and challenges related to Asset Accounts.



First Regional Seminar on Natural Resource Accounting held at iCED in January 2023

- ii. **In-house Capacity Building on Audit of Blue Economy and Climate Change issues**

A new Centre of Excellence on Blue Economy is being set up at iCED. Besides, iCED is also preparing a "Booklet on Role of Supreme Audit Institutions in auditing Climate Change".

To develop in-house capacity for orientation of officials of iCED, a series of lectures were organised at iCED on Blue Economy and Climate Change related topics. During 2022-23, twenty-two such sessions were organised in two spells.

Experts for these sessions were invited from Ministries and institutes of repute such as Ministry of Environment, Forest and Climate Change (MoEFCC), National Institution for Transforming India (NITI) Aayog, National Centre for Coastal Research (NCCR), Indian National Centre for Ocean Information Services (INCOIS) and National Centre for Medium Range Weather Forecasting under the Ministry of Earth Sciences (MoES), Indian Institute of Tropical Meteorology (IITM, Pune), The Energy and Resources Institute (TERI), National Maritime Foundation (NMF), World Resources Institute (WRI), Fisheries Management Resource Centre (FishMARC), Pondicherry University and Amity University.

**iii. Panel discussion on the topic 'Public Perception and Expectations from CAG of India'**

The panel discussion was organised by office of the AG (Audit) Bihar in November 2022 which provided a forum for insight into what the stakeholders, i.e. government, political leaders, media and other financial sector experts as well as public expect from the audit against what they are actually getting. The discussion highlighted the importance of the institution of CAG and its role in promoting accountability, transparency and good governance in the country. Issues like urgency of the CAG to cover major schemes and projects of Bihar, the need to focus on outcomes, analysis of costs across states for homogenous projects and making the reports shorter and easily readable were outlined. The interactive discussion was live-streamed online. Besides, staff from different offices of SAI India in Bihar and students of the Patliputra University participated in the discussion.

- iv.** In Jharkhand, during audit week, an interaction with stakeholders was organised by Audit Office Jharkhand which was attended by Shri Rameshwar Oraon, Finance Minister, Government of Jharkhand, Shri Saryu Rai, Chairman, CoPU and Ms. Deepti Jayraj, Special Secretary, Finance Department, Government of Jharkhand. In this event, issues relating to spreading awareness about the organisation of CAG and sharing knowledge among main stakeholders were discussed by the Accountant General (Audit) Jharkhand, Ranchi with the delegates.

- v. Workshops for Performance Audit on 'Major and Minor Minerals in Jharkhand':** Four workshops were organised (between 9-20 September 2022) on the topics (i) Jharkhand Integrated Mines and Mineral Management System, (ii) Geology, Geological mapping and Differential Global Positioning System (iii) Environment clearance and (iv) Mining Plan and Mining Surveillance System by inviting experts from Department in respective domain. These workshops proved extremely helpful in understanding the technical aspects of the topics.

- vi. Office of the PAG (Audit), Meghalaya** held an innovative work shop and a subsequent mid-term review in respect of the Horizontal Performance Audit on Solid Waste Management in Urban Areas in September 2022 and January 2023 respectively. The same saw the participation of the Office of the CAG, the offices of the Accountants General of the six north eastern states and Sikkim along with the subject experts from The Energy and Resources Institute (TERI), National Institute of Urban Affairs (NIUA), Indian Institute of Technology,

Kharagpur and CSIR- Advanced Materials and Processes Research Institute (AMPRI). The planning discussion in the workshop resulted in a customised approach to preparation of guidelines for the PA while the collection of case studies shared by the members were incorporated in the criteria.

**vii. In Karnataka**, two Workshops were held on the topics (i) Companies Auditors Report Order 2020, and (ii) Indian Accounting Standards. The main objectives of the workshop were: (a) to ensure that the teams conducting audit were updated with the latest amendments of Ind AS and notifications by the Ministry of Corporate Affairs pertaining to CARO and other provisions of the Companies Act 2013; and (b) to provide platform for interaction among the participants to discuss the latest observations observed during Certification audit and the impact of the new amendments viz. Ind AS 116, CARO 2020 etc. on the accounting procedures adopted by companies coming under the purview of Ind AS.

**viii. In West Bengal**, workshops were held in the month of June 2022 with the senior officials of the Department of Forest, Government of West Bengal to get an overall idea on the diversity of Flora & Fauna in the state with its importance and the planning & efforts of the Government in its proper management. Another workshop was organised in West Bengal wherein Deputy Superintending Engineer, PHE Department, Government of West Bengal enlightened the participants with the knowledge of 'Working of PHE department with special emphasis on National Jal Jeevan Mission'.



## Section-5

# International Relations

◆ **Chapter 1**  
Our engagement with  
United Nations Organisations

◆ **Chapter 2**  
Our engagement with the  
International Organization of  
Supreme Audit Institutions

◆ **Chapter 3**  
Our engagement with the Asian  
Organization of Supreme Audit Institutions

◆ **Chapter 4**  
Bilateral/Multilateral interactions

◆ **Chapter 5**  
International Training Programmes



National Academy of Audit and Accounts, Shimla



# CHAPTER 1

## **Our engagement with United Nations Organisations**



## 1.1 Audit of International Organisations

CAG of India has been the External Auditor of various United Nations (UN) organisations over the years. During 2022-2023, SAI India performed the audit of following UN organisations:

### 1.1.1 World Health Organization (WHO)

WHO is a specialised agency of the UN that is concerned with international public health. The headquarters of WHO is in Geneva, Switzerland.

CAG is appointed the External Auditor of WHO and its five Non-Consolidated hosted entities for the period 2020-2023 starting from the financial period ending December 2020. The five non-consolidated entities of WHO are:

- i. Staff Health Insurance (SHI)
- ii. International Agency for Research on Cancer (IARC)
- iii. Joint United Nations Programme on HIV/AIDS (UNAIDS)
- iv. United Nations International Computing Centre (UNICC)
- v. UNITAID (a Global health initiative that works with partners to bring about innovations to prevent, diagnose and treat major diseases)

Seven audit teams conducted Financial, Performance, IT and Compliance audits of WHO Headquarters, its Regional/Country offices, Global Service Centre and its non-consolidated entities. These audits engagements were performed onsite during October 2022 to March 2023. The Performance Audits included WHO Global Service Centre and IT audit of WHO's Business Management System.

### 1.1.2 Food and Agriculture Organization (FAO)

FAO is a specialised agency of UN that leads international efforts to defeat hunger. The headquarters of FAO is in Rome, Italy.

CAG is the External Auditor of FAO for the period 2020-2025, starting from the financial period ending December 2020. Five audit teams conducted Financial, Performance, IT and Compliance audits of FAO Headquarters and its Regional/Country offices. These audits engagements were performed during November 2022-March 2023. The audits included Performance Audit of Investment Centre and Programme Budget, Work Planning and Reporting of Programme Implementation. The audit report for the year 2022 is under finalisation.

### 1.1.3 Inter Parliamentary Union (IPU)

IPU is the global organisation of national Parliaments. It empowers Parliaments and Parliamentarians to promote peace, democracy and sustainable development.

CAG is engaged as External Auditor of IPU for three years from 2020 to 2022, starting from the financial period ending December 2020. Audit of IPU was conducted in February 2023.

#### **1.1.4 Organisation for Prohibition of Chemical Weapons (OPCW)**

OPCW has headquarters at Hague, Netherlands and is the implementing body for the Chemical Weapons Convention, which came into force w.e.f. 29 April 1997. The OPCW oversees the global endeavor to permanently and verifiably eliminate chemical weapons.

CAG of India is the External Auditor of OPCW for the period 2021-2023, starting from the financial period ending December 2021. The external audit of OPCW was performed during April 2023. The audit included Performance Audit of OPCW's International Cooperation, Technical Assistance and Support to National Authorities and Enhancement of Capacity Development for National Implementation. In addition, an IT audit of OPCW ERP system was also carried out.

#### **1.1.5 International Atomic Energy Agency (IAEA)**

IAEA is the world's centre for cooperation in the nuclear field, has headquarters in Vienna. It was set up as the world's "Atoms for Peace" organisation within UN family. The Agency works with its Member States and multiple partners worldwide to promote the safe, secure and peaceful use of nuclear technologies.

CAG of India is the External Auditor of the IAEA for a six-years' term from 2022 to 2027, starting from the financial period ending December 2022. The external audit of IAEA was performed during November 2022-March 2023. The audits included Performance Audit of Provision and Development of Safeguards Instrumentation and audit of Nuclear Security Fund. In addition, audit of Management of IT Applications and Projects was also carried out. Five teams conducted the above audit.

### **1.2 Entrustment of External audit of UN organisations**

#### **1.2.1 International Labour Organization (ILO)**

In February 2023, CAG of India has been appointed as the external auditor of the International Labour Organization (ILO) for the period 2024-2027, starting from the financial period ending December 2024. CAG will take over from the incumbent external auditor of ILO, Supreme Audit Institution of Philippines. ILO is a United Nations agency whose mandate is to advance social and economic justice by setting international labour standards. It has headquarters in Geneva.

ILO had formed a selection panel for the appointment of external auditor and invited bids from the Supreme Audit Institutions (SAIs). Based on the technical experience and other criteria, the ILO shortlisted three Supreme Audit Institutions (India, Canada and United Kingdom) for technical presentations.

In Geneva, a three-member team headed by DAI (HR, IR & Coord.) presented the strengths, approach and skill set as also the vast experience of auditing international organisations to the tripartite selection panel of ILO. The selection panel was impressed by the CAG's approach in developing a strategic partnership with ILO through which it aims to assist ILO in meeting its strategic goals while maintaining critical independence and oversight in performing the functions of the external auditor.

CAG's appointment is a recognition of its standing among the international community as well as its professionalism, high standards, global audit experience and strong national credentials.

### 1.3 Major events involving the active participation of SAI India

#### 1.3.1 Meeting of CAG with Mr. Qu Dongyu, DG, FAO on 10 June 2022

CAG, while interacting with Mr. Dongyu, appreciated FAO's Strategic Framework 2022-2031 and opined that the 'four betters' approach of better production, better nutrition, better environment, and better life, to achieve transformation to more efficient, inclusive, resilient and sustainable agri-food systems, being an all-encompassing approach, ensured FAO to extend support for achieving the desired goals.



CAG interacting with Mr. Qu Dongyu, DG, FAO

CAG thanked the FAO management for supporting SAI India through the remote audit process which required additional efforts by FAO. CAG briefly mentioned the process of framing audit recommendations which are of consultative nature, and informed that due consideration is being given to make them practical and add value to the operations and governance of the organisation. CAG emphasised that External Audit was not a fault finding exercise but focused on improving systems.

### 1.3.2 Visit of Independent Expert Advisory Oversight Committee (IEAOC) for WHO

A delegation consisting of Independent Expert Advisory Oversight Committee (IEAOC) members and WHO officials visited the office of Comptroller & Auditor General of India in October 2022.

The delegation met CAG and had discussion on some important issues related to WHO and areas of common interest to SAI India and WHO. The discussions centered on some of the broad risk areas for WHO as follows:

- Sustainability of Transformation Process Initiated by WHO
- Risk management
- Cyber Security
- Sustained Financing
- Ethics including workforce well-being and mental health
- Incoherent partner engagement
- Environmental, Social & Governance
- Result Based Management



Delegates from WHO, IEOAC in the office of CAG of India on 12 October 2022



### 1.3.3 Meeting of Technical Group and UN Panel of External Auditors

The annual meeting of Technical Group and UN Panel of External Auditors was hosted by SAI Chile at Santiago. The Panel consists of the Heads of 13 Supreme Audit Institutions who are either elected or selected to conduct the external audit of the UN Secretariat, Funds and Programmes and Specialised Agencies and the International Atomic Energy Agency. The meeting was attended by representatives from Chile, China, France, Germany, India, Indonesia, Italy, Ghana, Philippines, Russia, Switzerland, and United Kingdom.



CAG participating in UN Panel of External Auditors' meeting

The Panel's Technical Group met on 23-25 November 2022 to discuss technical matters and prepared for the ensuing discussions in the Panel meeting. During the Panel meeting, SAI India on behalf of the Technical Group, led the session on critical financial audit issues.

The Panel members met virtually with the Secretary-General, United Nations for an exchange on following important issues to the UN system entities:

#### (a) Climate Change

- Emergency Coordinating function to combat climate change
- Sustainable Reporting
- Role of Supreme Audit Institutions

#### (b) Management Issues

- Gender Equality (SDG 5)
- Project and Implementing Partners
- Knowledge management
- Development Reforms

**(c) Financial Issues**

- Engagement with External Auditors for Review of Draft Guidance prior to implementation of new standards (IPSAS)
- Guidance on Financial Instruments, Leases, Classification of Employee Benefits, Capitalization Thresholds
- Pooled Treasury Systems Disclosures.

**(d) Digital Issues**

- Challenges in digital transformation
- Cyber Threats & IT Security

#### **1.4 SAI India Training for auditing UN organisations at Anderson School of Business, University of California, Los Angeles (UCLA)**

The CAG of India is the External Auditor of many prestigious UN organisations. The UN organisations are known for their highly structured and rigorous accounting and financial management functions. As auditors, it is essential for us to stay ahead of the curve and remain well-informed about financial management practices and emerging issues.

To enhance our technical expertise in auditing UN organisations, a specialised training program for Senior Audit Professionals was conducted in February 2023 at Anderson School of Management, University of California, Los Angeles (UCLA), one of the globally top-ranked universities.

The training programme covered the following important audit areas:

- Actuarial Accounting
- Portfolio and Risk Management
- Derivatives to manage Risk
- Hedging and Markets
- Investment Principles: optimal allocation
- Provisioning for Insurance Benefits
- Pension funds and reorientation of Assets Allocation in an inflation fuelled world. Valuation. Audit Team Group Work
- Environmental, Social and Governance (ESG) Reporting

The areas covered in the training enriched the knowledge of officers in supervising the financial audits of the UN and other international bodies.

The outcome of the discussions in the training included "Future Audit Questions and Red flags" - practical audit questions to be used in the Audit of Financial Statements of large international organisations.

# CHAPTER 2

## **Our engagement with the International Organization of Supreme Audit Institutions**



## 2.1 Overview of INTOSAI

The International Organization of Supreme Audit Institutions (INTOSAI) operates as an umbrella organisation for the external government audit community. Founded in 1953, INTOSAI has 195 full members, five associate members and two affiliate members. INTOSAI is an autonomous, independent and non-political organisation with special consultative status with the Economic and Social Council (ECOSOC) of the UN. INTOSAI's motto is, 'Mutual Experience, Benefits All'.

INTOSAI has four main committees which are the vehicles for the achievement of its four strategic goals. These Committees are:

- i. Professional Standards Committee
- ii. Capacity Building Committee
- iii. Knowledge Sharing and Knowledge Services Committee
- iv. Policy, Finance and Administration Committee

## 2.2 INTOSAI Knowledge Sharing Committee (KSC)

Since the inception of INTOSAI Committee on Knowledge Sharing and Knowledge Services – (KSC), CAG of India is the Chair of KSC and its Steering Committee (KSC SC).

KSC is instrumental in developing guidance documents, handbooks, best practices, and research papers on all aspects of public sector audit in addition to disseminating knowledge through seminars, workshops, training programmes and through its dedicated website –INTOSAI Community Portal. KSC has 12 Working Groups<sup>1</sup> specializing in various domains of public sector audit.

### 2.2.1 14<sup>th</sup> annual meeting of KSC Steering Committee held in Cairo Egypt

The 14<sup>th</sup> Annual Meeting of the KSC Steering Committee was hosted by the Accountability State Authority of Egypt in Cairo, Egypt on 12 and 13 September 2022. CAG of India inaugurated the meeting. The meeting was attended by 48 delegates from over 16 SAIs including Heads of SAIs of Egypt, India, Kenya, Niger, and Qatar. The meeting also included a video-recorded message from the Head of SAI of the Russian Federation and the Chair of INTOSAI.

<sup>1</sup> <https://cag.gov.in/en/page-involvement-with-intosai>

CAG of India inaugurates the 14<sup>th</sup> KSC SC Meeting

CAG underlined the role of KSC in recognising needs and filling the gaps by bringing out valuable products in several areas of public sector audit and announced the possible release of as many as 11 documents developed by KSC Working Groups in the upcoming INTOSAI Congress covering a variety of people-centric issues, such as audit of plastic waste, sustainable transport, climate financing, audit of sustainability issues, cyber security and data protection, audit of IT Governance, debt authorisation, stolen assets recovery and corruption prevention in public procurement as also a Guidance on public procurement audit before November 2022.

CAG reminded that the KSC's strategies for the coming years should draw inspiration from and be attuned to the committed priorities of INTOSAI viz. supporting SAI professionalism, supporting SAIs to stay resilient in the face of extremely complex and fast evolving global circumstances marked by volatile political situations, calamitous events, changes in financial markets, and changes in climate, as also to the ideals of equality and inclusiveness. CAG exhorted the members to keep abreast of global megatrends and strategically equip themselves to audit challenging areas such as Artificial Intelligence, Climate financing, forensic auditing, fraud and corruption, climate change etc. where the practice of auditing is difficult and the processes are yet to be established.

Heads of Delegations at the 14<sup>th</sup> Annual KSC SC Meeting, Cairo, Egypt



## 2.3 Knowledge Development

### 2.3.1 INTOSAI Guidance

As chair of the KSC, SAI India has contributed to the development of INTOSAI Guidance (GUID)<sup>2</sup> on Performance Audit of Privatisation (GUID 5320) led by SAI India and Guidance on public procurement audit (GUID 5280) led by SAI Russia.

Further, the Working Groups under KSC were successful in development of the following documents:

Working Group	Title of document
<b>Fight against corruption and money laundering</b>	• Guideline on Promoting Social Controls on Public Fund
	• Guideline on Stolen Assets Recovery
	• Guideline on Audit of Corruption Prevention in Public Procurement
<b>IT audit</b>	• Guideline on Cyber Security and Data Protection Challenges
	• Guideline on Audit of IT Management functions including IT Governance, Contract Management and Sustainability (SAI India)
	• Global Curriculum on IT Audit (SAI India)
	• Updated 2022 WGITA-IDI IT Audit Handbook (SAI India, SAI USA, IDI)
<b>Environmental Audit</b>	• Auditing Plastic Waste: Research and Audit Benchmarks for Supreme Audit Institutions (SDG 12)
	• Auditing Climate Finance: Research and Audit Criteria for Supreme Audit Institution
	• Auditing sustainable transport: Guidance for Supreme Audit Institutions (SDG 11)
	• Auditing Sustainable Development Goals: Key Principles and Tools on Policy Coherence and Multi-stakeholder Engagement for Supreme Audit Institutions
<b>Big data</b>	• Guidelines on Conducting Audit Activities with Data Analytics
	• Research Program on Auditing Technologies Innovation
<b>Audit of Extractive Industries</b>	• Framework of government auditing for oil companies under service contract
	• Extractive Industry Auditors Toolkit (EI Toolkit)

<sup>2</sup> Both the documents are available at <https://www.issai.org/>

Under the INTOSAI Strategic Plan 2017-19, KSC is undertaking research project on “Audit Communication and Reporting of Audit results”, led by SAI India. This research will result in identifying the best practices of SAIs on the research subject.

## 2.4 INTOSAI Community Portal as a Knowledge Sharing Platform

SAI India has developed an INTOSAI Community Portal to facilitate continuous interaction in the INTOSAI community. The portal can be accessed at [www.intosaicommunity.net](http://www.intosaicommunity.net) or [www.intosaiportal.org](http://www.intosaiportal.org). INTOSAI Community Portal serves as a knowledge hub for the INTOSAI community.

## 2.5 INTOSAI Strategic Plan and Strategic Development Plan

The INTOSAI Strategic Plan articulates INTOSAI's mission, vision, values, organisational priorities. The Strategic Development Plan (SDP) of INTOSAI is aimed to develop the INTOSAI Framework of Professional Pronouncements (IFPP) towards a clear, consistent, and relevant set of professional pronouncements, in doing so, assuring the professionalism and quality of the framework.

The INTOSAI strategic plan for the period 2023-28 has been developed and endorsed in XXIV INCOSAI 2022 and the INTOSAI Strategic Development Plan (SDP) for the period 2023-2025 is under preparation. The plan process involves wide ranging consultative processes involving the participation of working groups, subcommittees, work streams of INTOSAI as also the regions, other organs of INTOSAI and external stakeholders.

SAI India, as the KSC Chair, took active part in consultation process for development of the INTOSAI Strategic Plan 2023-28 and consulted its working groups as part of the initial information gathering process for the strategic development plan.

## 2.6 INTOSAI Working Group on IT Audit (WGITA)

CAG has been the chair of INTOSAI Working Group on IT Audit (WGITA) since its inception in 1989. WGITA aims to support SAIs in developing their knowledge and skills in the use and audit of IT. Presently, WGITA has 57 members, including SAI India and six Observers.

### 2.6.1 31<sup>st</sup> Annual Meeting of the INTOSAI WGITA

The 31<sup>st</sup> Annual Meeting of WGITA was hosted virtually by SAI India on 23 May 2022. During the meeting, various project groups presented the progress of their work. WGITA teams are currently working on projects related to Cyber security, Data Protection, Audit of IT Management, Performance Evaluation of Information Systems etc.



CAG of India delivering inaugural speech for 31<sup>st</sup> WGITA Meeting

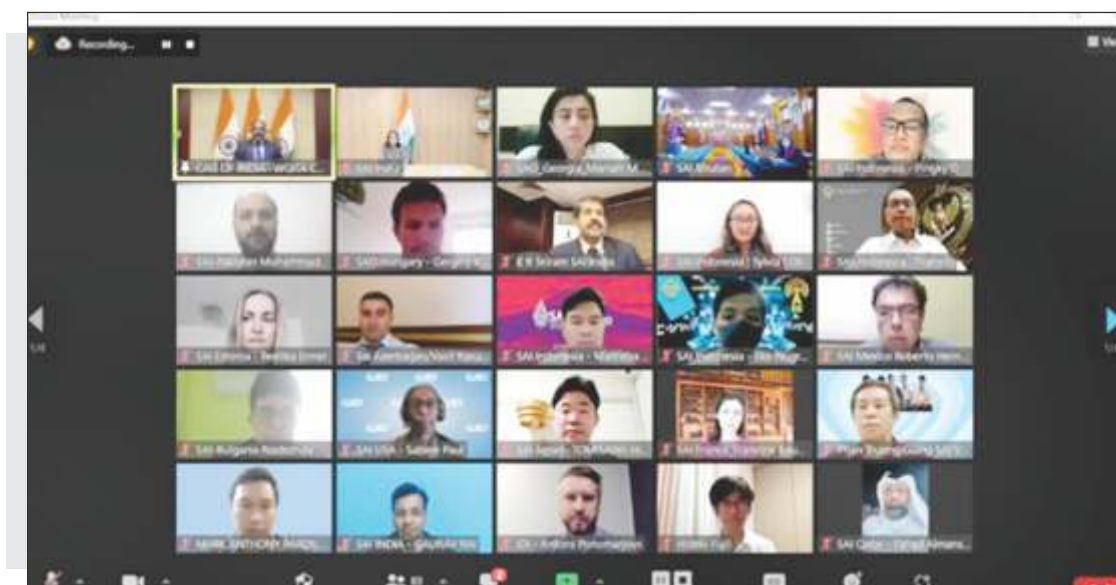
INTOSAI Development Initiative, as well as the Working Groups on Big Data (WGBD) and on Impact of Science and Technology on Auditing (WGISTA) also made presentations on their work. Projects and activities under the new WGITA work plan for 2023-25 were also deliberated upon by the members.

Addressing the Working Group, CAG pointed out<sup>3</sup> that e-Governance projects have to go beyond the traditional paradigms of project management and lay equal focus on citizen interface and backend technology. While e-government systems improve the ease of life, they also raise concerns of data privacy, national information security, and associated risks of providing information technology services.

### 2.6.2 Webinar on Audit of e-Procurement

SAI India hosted a webinar on IT Audit of e-Procurement Systems on 24 May 2022 as part of 31<sup>st</sup> Annual Meeting of the INTOSAI WGITA. CAG inaugurated the webinar and spoke on the topicality of conducting IT Audit of e-Procurement Systems and the various challenges attending to such audits. Over 220 delegates from member SAIs participated. He stated that e-procurement has

<sup>3</sup> Full text of the speech is available at: [https://cag.gov.in/uploads/cag\\_speeches/speeches](https://cag.gov.in/uploads/cag_speeches/speeches)



Participants of the Webinar on Audit of e-Procurement

the potential to eliminate avenues for corruption and rent-seeking in public procurement. He said that SAI India has prioritised IT audit of e-Procurement platforms and systems for more than a decade. These IT audits have usually focused on crucial aspects such as management of platforms, user experience, privacy, safety features, and compliance with the quality requirements for e-procurement systems.

### 2.6.3 WGITA Knowledge development

WGITA developed the following three documents:

- Guidelines on Cyber Security and Data Protection Challenges led by SAI Mexico
- Guidelines on Audit of IT Management functions –including IT Governance, Contract Management and Sustainability led by SAI India
- Global Curriculum for IT Audits led by SAI India

Further WGITA, in collaboration with the INTOSAI Development Initiative (IDI), developed<sup>4</sup> an IT Audit Handbook in 2014 to provide SAI auditors with standards and universally recognised good practices on IT audit. The project was led by SAI India, SAI USA, and the IDI. The 2022 version of the Handbook provides an update to the explanations of the major areas that IT auditors may be required to look into while conducting IT audits.

## 2.7 INTOSAI Compliance Audit Subcommittee (CAS)

The CAG of India is the Chair of the Compliance Audit Subcommittee (CAS), under INTOSAI's first goal viz. Professional Standards Committee since 2017. CAS was assigned the mandate of providing

<sup>4</sup> The updated Handbook can be accessed at the link <https://idi.no/elibrary/relevant-sais/lota/wgita-idi-handbook-on-it-audit-for-sais/1632-wgita-idi-handbook-on-it-audit-for-sais-2022-en?format=html>

clarity to the concept of compliance audit, give practical guidance on how compliance audit should be planned, executed and reported on, and to develop INTOSAI professional pronouncements for compliance audit. Presently, CAS has 21 members and two observers.

### 2.7.1 19<sup>th</sup> annual meeting of INTOSAI CAS

The 19<sup>th</sup> annual meeting of the INTOSAI Compliance Audit Subcommittee (CAS) was held in August 2022 in Bengaluru, India.

Delegates from the SAIs of Georgia, Maldives, Namibia, Norway, Portugal, Qatar, Russia, European Court of Auditors, France, Thailand, China, Tunisia, Azerbaijan, Saudi Arabia, Slovakia and Romania, INTOSAI Development Initiative and AFROSAI-E<sup>5</sup> participated in the meeting.



CAG of India speaks at the inauguration of Compliance Audit Subcommittee (CAS) Annual Meeting

CAG urged the delegates to fashion the strategies of CAS to take on the challenges of the future including the enabling and disruptive impacts of technology, the consequences of climate change, and the need to support the implementation of the United Nations 2030 agenda; to fight against fraud and corruption and; to ensure that audits by Supreme Audit Institutions serve to promote equality and inclusiveness in the society.

The meeting saw presentations on a variety of subjects such as compliance audit on the conservation of lakes in Hyderabad, role of Environmental, Social and Governance (ESG) reporting in the achievement of the 2030 agenda, impact of a new legislation on jurisdictional activities of SAIs on the practice of compliance auditing etc.

<sup>5</sup> African Organisation of Supreme Audit Institutions





Mr. Hussain Niyazi Auditor General of Maldives, DAI (Report States-NR) and DAI(GA) & Chairperson, GASAB at 19<sup>th</sup> INTOSAI CAS



19<sup>th</sup> Annual CAS Meeting Participants

### 2.7.2 CAS Triennial Work Plan 2023-2025

The triennial work plan of the CAS for the period 2023-2025 was given shape through wide consultations and deliberations within the CAS Community of members, observers and partners. The work plan envisages the development of a concept paper on Compliance Audit of Inclusiveness and Equality, covering the multiple dimensions of the problem such as gender, poverty etc.

## 2.8 Collaboration with IDI

INTOSAI Development Initiative (IDI), established in May 1999, is an INTOSAI body that supports



SAIs in developing countries to sustainably enhance performance, independence and professionalism.

- IDI launched a "Leveraging on Technological Advancement (LOTA)" initiative to help SAIs in exploring their technology landscapes, designing and implementing appropriate methodology & tools for auditing with the help of technology.
- IDI conducted a 'Founders Meeting for the IDI Learning Festival' on 24-25 November 2022, bringing together professionals to identify how to build professions, what type of network we should create and what type of continuous professional development people need.
- IDI has launched 'SAI YOUNG LEADERS' programme 2017-2018 aimed at producing 'Changed SAI Young Leaders contributing to positive change in SAIs'.
- Global SAI Accountability Initiative (GSAI) aims to strengthen and maintain the capacity of SAIs and identifies SAIs in challenging environments and provides support to strengthen their capacities and performance. GSAI was launched as part of the peer-to-peer support program of INTOSAI Donor Cooperation (IDC) in 2021.

SAI India actively participates in these IDI initiatives including providing mentors to lead the projects. For example, ADAI (IR & Coordination), being an IDI certified training specialist, has acted as a mentor for cohorts for training specialists, and has been involved in IDI eLearning initiatives including the latest digital education format used for the Professional Education for SAI Auditors (PESA) initiative.

## 2.9 Other major events of INTOSAI

### 2.9.1 XXIV International Congress of Supreme Audit Institutions (INCOSAI) 2022

The XXIV INCOSAI was held from 7-11 November 2022 in the city of Rio de Janeiro, Brazil at ExpoMag. The two main themes of the Congress were: "The Role of Supreme Audit Institutions in Emergency Situations" and "Global voice, global outcome, and far-reaching impact".



CAG at the Plenary Session and Group discussions on INCOSAI Theme I: 'The Role of Supreme Audit Institutions in Emergency Situations' on 10 November 2022

### **Theme I: 'The Role of Supreme Audit Institutions in Emergency Situations'**

The discussions were centered around the following three questions:

- How can SAIs audit government preparedness in terms of how the government assesses and manages risk? In what ways can SAIs determine if a government's actions or spending are proportionate to the risk of a certain emergency?
- How can INTOSAI provide training or audit methodologies to SAIs that must verify expenditures with emergency procurements made in response to emergency situation?
- How can INTOSAI and SAIs enhance SAI resilience and capacity to maintain continuity of operations during emergencies and provide effective oversight of government preparedness and response? What new partnerships can or should be explored? How can our community mobilise enhanced capacity building efforts?

SAI India emphasised that the most recovery spending prioritises public health, digitalisation, social protection, investment and incentive packages to private sector to prioritise / augment public spending. Thus, SAI's audits could attempt to concentrate on measures/ action plans for decoupling various sectors and localising impact through interventions, policies for establishing quick turnaround measures – for example, among other things – oxygen plants, protective kits, vaccines diagnostics, treatments, vaccines, epidemiology, manufacturing and medical and digital technologies, application of government procurement rules during normal times and during emergencies, hastening digitalisation of various public services, whole of government approach to emergency etc.

### **Theme II: 'Global voice, global result, far reaching impact'**

SAI India made interventions during the discussions and highlighted the following:

- To enhance the global voice and accountability outcome SAIs need to have a communication strategy which could begin with citizen participation in accountability processes and maintaining constant communication with audited entities that will help auditors to identify gaps. SAIs' need to ensure the role of communication and use of language in audit reports, the role of trust among actors and the role of stakeholders in ensuring that audit recommendations are not only accepted but are implemented.
- Global SAI products will help in identifying national priorities and the highest risks for a country when selecting which targets to audit for performance and developing recommendations that add value and are useful for all stakeholders.
- Additional challenges include embracing key principles of the 2030 Agenda, such as leaving no one behind and the interconnectedness and indivisibility of the SDGs.
- Collaborative working partnerships with different goal Chairs is instrumental in enhancing the effectiveness of audit products. Addressing cross cutting issues across the SAIs and taking the leverage of experience from one another's outcome will lead to a stronger accountability framework.

On the sidelines of the INCOSAI, the 5<sup>th</sup> KSC Main Committee meeting was held. It was attended by delegates from about 20 Supreme Audit Institutions. CAG as the KSC Chair, highlighted that KSC and its Working Groups, during the last three years, had been instrumental in recognising professional requirements of SAIs and bridging the gaps by developing valuable guidance of public sector audit, covering a variety of people-centric issues such as audit of plastic waste, sustainable transport, climate financing, audit of sustainability issues, cyber security and data protection, audit of IT Governance, data analytics, technologies innovation, social control of public funds, stolen assets recovery, corruption prevention in public procurement, Extractive Industry auditor toolkit and Extractive Industry Framework of Government Auditing Standards.

Further, a significant achievement is the development of INTOSAI Guidance on audit of public debt, audit of disaster management, performance audit of privatisation and public procurement audit. KSC, thus, by drawing on the collective professional expertise of INTOSAI's members, has operationalised INTOSAI's motto "Mutual Experience Benefits All".

CAG underpinned that KSC is now emerging into an era of added responsibilities and fresh priorities with the new INTOSAI Strategic Plan in force which crystallises the concerns of changing times, that of resilience in the face of challenging circumstances, and the need to consider aspects of equality and inclusiveness along with traditional focuses of audit. The new KSC Operational Plan is an attempt to ensure that every SAI is enabled to discharge its mandate in the fullest possible way.

### 2.9.2 Scientific Committee on the sidelines of XXIV INCOSAI 2022

Scientific Committee, an academic side event of the XXIV INCOSAI was held in Rio de Janeiro, Brazil from 7-10 November 2022. The officers from SAI India participated as specialists for the Scientific Committee and presented on the themes - How Supreme Audit Institutions may contribute to reach sustainable development goals 5: gender equality; The role of Supreme Audit Institutions in the development of infrastructure and business environment; and Digital transformation of Supreme Audit Institutions.

WGEA undertook four projects which have been endorsed in XXIV INCOSAI 2022. Of these, the project for development of document on **"Auditing Plastic Waste: Research and Audit Benchmarks for Supreme Audit Institutions (SDG 12)"** was led by SAI India.



# CHAPTER 3

## **Our engagement with the Asian Organization of Supreme Audit Institutions**





### 3.1 Overview of ASOSAI

The Asian Organization of Supreme Audit Institutions (ASOSAI), established in 1978, is one of the seven regional organisations of INTOSAI. It became functional in 1979, with its first assembly in New Delhi. India is a charter member of the ASOSAI. Its present membership stands at 47.

The objectives of ASOSAI are:

- To promote understanding and cooperation among member institutions through exchange of ideas and experiences in the field of Public Audit.
- To provide facilities for training and continuing education for government auditors, with a view to improving quality and performance.
- To serve as a center of information and as a regional link with institutions in other parts of the world in the field of Public Audit.
- To promote closer collaboration and brotherhood among auditors in the service of the Governments of the respective member institutions and among regional groups.

### 3.2 ASOSAI Journal

As the Chairman of the Board of Editors of ASOSAI Journal of Government Audit, CAG has been granted ex-officio membership of the Governing Board (GB) of ASOSAI for the period 2021-2024. The ASOSAI Journal is published twice a year. The articles for the ASOSAI journal are contributed by member SAIs.

SAI India launched the revamped website of ASOSAI journal in August 2021 with a redesigned downloadable PDF to uplift the reading experience of its users with quality knowledge content, enhanced design, and interactive features. SAI India also launched the twitter handle of ASOSAI Journal @Asosai Journal for its wider outreach and dissemination among the public accountability and audit fraternity.

The last issue of the e-Journal in October 2022 on the theme of "Auditing Plastic Waste" was hosted on the website [www.asosaijournal.org](http://www.asosaijournal.org).

### 3.3 Participation of SAI India in ASOSAI Activities

#### 3.3.1 58<sup>th</sup> ASOSAI Governing Board Meeting

The 58<sup>th</sup> ASOSAI Governing Board Meeting was held in May 2022. The CAG presented the report on the ASOSAI Journal apprising the GB members about the revamped ASOSAI Journal website. The ASOSAI journal serves as a medium to democratise knowledge and enhance communication.

CAG also informed the GB members about the social media presence of ASOSAI journal on Twitter which is being instrumental in better outreach and visibility in the international audit and

accountability fraternity and has been seeing continuous rise in the number of followers.

The CAG proposed establishment of a working Group on IT Audit and Data Analytics for ASOSAI and presented a report to study the feasibility of establishing the new group. The report sought the support of the Governing Board members to form a Special Committee consisting of ASOSAI members to study the feasibility of establishing a new ASOSAI Working Group on IT Audit and Data Analytics. The Report highlighted the purpose and advantages of establishing a Working Group with focus on Capacity building for IT audit and data analytics.



CAG of India attending the 58<sup>th</sup> ASOSAI Governing Body meeting

### 3.3.2 13<sup>th</sup> ASOSAI Research Project

In view of the emphasis on audit of emerging areas, SAI India contributes significantly in all the Research Projects of ASOSAI. During the 57<sup>th</sup> Governing Board Meeting of ASOSAI held on 8 September 2021, the topic "Remote Audit for SAI: Future and Challenges" was selected as the theme of the 13<sup>th</sup> ASOSAI Research Project. The first meeting of the 13<sup>th</sup> ASOSAI Research Project, organised by SAI Indonesia, was held on 12 May 2022 to discuss and agree on the project outline, roles and responsibilities of all members involved, task distribution, as well as the timeline of this project.

### 3.3.3 Other ASOSAI Events

#### 3.3.3.1 Annual ASOSAI Seminar

An ASOSAI Knowledge Sharing Seminar was hosted virtually by SAI Japan on the theme "**Challenges in IT Audit and How to deal with them**" on 7 February 2023, 14 February 2023 and 15 February 2023.

### 3.3.3.2 ASOSAI Working Group on Crisis Management Audit (WGCMA)

This Working group, led by BAI Korea, is a platform to achieve enhanced capabilities in order to respond better to future crises by exchanging knowledge and experience in the field of crisis management audit. BAI Korea held the kick-off meeting for the ASOSAI Working Group on Crisis Management Audit (WGCMA) on 11 May 2022.

### 3.3.3.3 ASOSAI Special Committee on establishing the Working Group on State Owned Enterprise (WGSOE)

This Working Group is led by SAI Malaysia and held the kick-off meeting of the ASOSAI Special Committee on WGSOE on 25 April 2022 virtually.

### 3.3.3.4 ASOSAI Working Group on Sustainable Development Goals

This Working Group is led by the State Audit Bureau of Kuwait. SAI India was represented in the Working Group and participated in the first meeting held on 24 May 2022.

**3.3.3.5 Second meeting of ASOSAI working Group on Environmental Auditing Cooperative Research on the role of SAI and Supporting Climate Finance Accountability** was held from 28-29 March 2023 at the National Centre for Audit Profession Development (NCA&D) in Thailand. The deliberations were held on various themes related to the subject including the 'Sustainable Finance Index', Progress Report from the Project Lead and discussion session, Role of Supreme Audit Institutions in Promoting Climate Finance Accountability.



# CHAPTER 4

## **Bilateral/ Multilateral interactions**





## 4.1 BRICS

BRICS is a multilateral forum of five major emerging economies of Brazil, Russia, India, China and South Africa. CAG of India is an active member of BRICS SAIs Cooperation. SAI India hosted the 3<sup>rd</sup> BRICS SAI Leaders meeting on the theme 'Citizen Engagement in Public Sector Audit' on 10 October 2022 in New Delhi.

A delegation from SAI Russia led by Ms. Galina Izotova, Deputy Chairperson, SAI Russia attended the meeting in person, while SAIs of Brazil, China and South Africa joined the meeting virtually.

Subsequent to the hosting of the above meeting, CAG of India took over the Chairmanship of BRICS SAIs Cooperation for two years.

The following documents were approved in the 3<sup>rd</sup> BRICS SAIs Leaders meeting:

1. New Delhi Declaration for the meeting;
2. BRICS work-plan for 2023-2024 wherein the member SAIs conduct virtual or face to face Seminars/webinars on the topics agreed upon during the meeting for sharing knowledge and experience on the topics.



CAG of India delivering the inaugural address at the 3<sup>rd</sup> BRICS SAI Leaders meeting hosted by SAI India on 10 October 2022. To his left is Ms. Galina Izotova, Deputy Chairperson of the Accounts Chamber of the Russian Federation

## 4.2 SHANGHAI COOPERATION ORGANISATION (SCO)

Under the broad umbrella of India's SCO Chairmanship, the CAG of India assumed the Chairmanship of SCO SAIs. SCO is the world's largest regional organisation in geographic scope and population. The member countries of SCO include China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Uzbekistan, India and Pakistan.

SAI India hosted the 6<sup>th</sup> SCO SAI Heads Meeting from 6-7 February 2023 in Lucknow, Uttar Pradesh on the theme "Integrating Emerging Technologies in Audit", with Artificial Intelligence & Cyber Security, as the two subthemes of the meeting. The meeting witnessed participation from all member SAIs.

The members emphasised that audit of the advanced technologies, such as Artificial Intelligence, used by governments and public sector undertakings, was essential for promoting good governance, catalyzing social and economic development and to provide the required oversight. Further, they underlined the need for equipping Supreme Audit Institutions in use of pioneering technologies for efficient and effective audits.

They agreed that the rapid strides made in the adoption of Information Technology in the public sector has brought the concerns related to cybersecurity to the forefront. They also agreed that it was becoming imperative for SAIs to develop adequate capacity in this area.



Hon'ble Governor of Uttar Pradesh, Smt. Anandiben Patel, CAG of India, along with the Heads of delegation from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan at the 6<sup>th</sup> Meeting of Heads of SAIs of SCO held in Lucknow, India (6 - 7 February, 2023)

### 4.3 Supreme Audit Institution-20 (SAI-20)

The G20 (Group 20) is an intergovernmental forum comprising of most of the world's largest economies. It consists of 19 countries and the European Union (EU).

The G20 has become the premium forum for international economic cooperation and plays an important role in shaping and strengthening global economic architecture and governance. It also

focuses on pressing issues of international importance and seeks to resolve these global issues by aiming to create an inclusive and sustainable world.

Under the Indian Presidency of G20, SAI India assumed the Chairmanship of SAI20 Engagement Group.



#### 4.3.1 Handover of Supreme Audit Institution 20 (SAI20) Engagement Group

SAI Indonesia, during the Indonesian Presidency of G20 (Group 20) in 2022, established Supreme Audit Institutions20 (SAI20) Engagement Group (EG) for playing an important role by SAIs as Strategic partner for the Governments of G20 member states by providing oversight, insight and foresight.

A virtual meeting was held with SAI Indonesia on 31 January 2023 for the formal handover of the chairmanship of SAI 20 Engagement Group from SAI Indonesia to SAI India. SAI India selected Blue Economy and Responsible AI as the priority themes, for the Indian Presidency of SAI20, which engage with the pertinent issues of sustainability, equity, livelihood, ethics, transparency and accountability.

#### 4.3.2 Seminar on "Responsible Artificial Intelligence"

A seminar on "Responsible Artificial Intelligence" was hosted by the CAG of India on 22 February 2023 at the CAG office, New Delhi. Eminent personalities from both public and private sectors were invited to speak and share their expertise on the subject of "Responsible Artificial Intelligence". The Workshop highlighted the role of Artificial intelligence in this era of express technological advancement, digital transformation and AI rapidly becoming the centre of attention for public sector enterprises.





CAG of India addressing the officers at the SAI20 Engagement Group Seminar on "Responsible Artificial Intelligence"

#### 4.3.3 Seminar on "Blue Economy"

A seminar on "Blue Economy" was hosted by the CAG of India on 27 February 2023 at the CAG office, New Delhi. The Workshop highlighted blue economy system which should be aimed at promoting the sustainable use of marine and freshwater resources while conserving their environments, encompassing policies and operational dimensions aimed at producing food and energy, supporting livelihoods, and driving economic advancement and welfare.



SAI20 Engagement Group Seminar on "Blue Economy" held at office of the CAG

#### 4.3.4 SAI20 Senior Officials Meeting (SOM)

As the Chair of SAI20 Engagement Group, the Comptroller and Auditor General of India hosted the SAI20 Senior Officials Meeting in March 2023 in Guwahati, Assam. Deliberations were held on the priority themes. The meeting will serve as an encouraging precursor to the SAI20 Summit and its relevance to promoting transparency, accountability and good governance across G20.



CAG of India with all the participants of SAI20 Senior Official's Meeting held at Guwahati, Assam



CAG of India at the SAI20 Senior Official Meeting held at Guwahati, Assam from 13-14 March, 2023

During the meeting, the CAG stressed that the SAI20 member SAIs needed to arrive at a consensus to design practical accountability frameworks for audit of these two priority areas.

He urged that we must lay out realistic limits while planning our SAI20 objectives and building our auditing models for ocean governance, and for protecting livelihoods, gender equity and citizen rights as also for facilitating responsible AI.

He also emphasised that the SAI20 community had to constantly research, innovate, upgrade skills and train audit personnel to meet future needs and requirements.

The CAG concluded that the integration of technology and capacity building was going to be crucial for SAIs to stay ahead of the curve.

### 4.3.5 Collaboration with other G20 Groups

G20 Anti-Corruption Working Group (ACWG) had prepared the 2022 High Level Principles on Enhancing the Role of Auditing in Tackling Corruption, which highlighted the importance of audit to detect corruption and the role of auditors and SAIs in preventing corruption and related economic crimes.

The 1<sup>st</sup> G20 ACWG Meeting was held on 1-4 March 2023 at Gurugram. In the G20 ACWG meeting on the topic "Good Practices on enhancing the role of auditing in preventing and combating corruption", CAG in his keynote address, emphasised that the SAIs would have to gear up to play their role as an important stakeholder in G20's commitment towards strengthening the implementation of Anti-Corruption Action Plan 2022-2024 and further strengthen the existing international anti-corruption architecture.

Building on these, the G20 ACWG, aimed to develop a Compendium on Good practices on enhancing the Role of Auditing in Fighting Corruption adopted by the SAIs in G20 countries. CAG of India is leading this project with OECD and UNODC as other international members, in coordination with Department of Personnel and Training, Government of India.

## 4.4 Bilateral Engagements of SAI India

During 2022-23, SAI India signed four new Memorandums of Understanding (MoUs) and extended one<sup>1</sup> MoU with different SAIs. These MoUs are aimed at strengthening existing friendly relations by exchange of information and expertise in the field of public sector audit.

### 4.4.1 MoU with SAI Morocco

An MoU for cooperation in the field of Public Audit was signed with the Court of Accounts, Kingdom of Morocco on 16 September 2022 in Morocco. The objective of this MoU is to promote

<sup>1</sup> with SAI Cambodia



and develop cooperation between the SAIs in order to strengthen respective institution's professional capacity and improve methodologies in the field of audit of public finance.

#### **4.4.2 MoU with SAI Chile**

A bilateral meeting was held on 27-28 November 2022 at Santiago, Chile on the sidelines of the U.N. Technical Group and Panel Meeting wherein MoU was signed with the Office of the Comptroller General of the Republic of Chile at Santiago. The significance of the meeting was to strengthen institutional and professional capacities and learn from each other's best practices and support capacity building and share methodologies in public audit and conduct training programmes in their respective countries under the new agreement.

#### **4.4.3 MoU with SAI Kazakhstan**

On the side-lines of the 6<sup>th</sup> SCO SAI Heads Meeting, MoU was signed with the Supreme Audit Chamber of the Republic of Kazakhstan on 6 February 2023 in Lucknow. The MoU was aimed at exchange of experience in the field of audit methodologies and procedures of external public financial control.

#### **4.4.4 MoU with SAI Tajikistan**

On the side-lines of the 6<sup>th</sup> SCO SAI Heads Meeting, an MoU was signed with the Accounts Chamber of the Republic of Tajikistan on 6 February 2023 in Lucknow to promote and develop a framework for co-operation and efficient interaction between the Parties in the area of public sector auditing, on the basis of equality and mutual benefit.

#### **4.4.5 Courtesy call on CAG by a delegation from South Africa**

The delegation from South Africa had a courtesy call on CAG on 1 February 2023 in which they had a briefing on the working of CAG *vis-a-vis* Public Accounts Committee (PAC).

#### **4.4.6 Bilateral meeting with SAI Poland**

A bilateral meeting was held between CAG of India and Mr. Marian Banas, President of the Supreme Audit Office of Poland on 19 October 2022 at CAG office. During the bilateral meeting, both the Heads of SAIs discussed the way forward for enhancing the bilateral cooperation through exchange of knowledge and best practices between the two SAIs.



Mr. Marian Banas, President of the Supreme Audit Office of Poland had a meeting with the CAG of India to discuss the way forward for enhancing bilateral cooperation

#### 4.4.7 Trainings provided to the officials of SAI Maldives

Under the ambit of the Memorandum of Understanding (MoU) signed with SAI Maldives, various training programs for capacity building and knowledge sharing were conducted. The training to the officials from SAI Maldives were provided in the following three programs:

- Long term training program for AGO, Maldives-Fellowship Program at NAAA, Shimla
- Training and Knowledge sharing exchange programmes for AGO Staff (conducted by iCISA)
- Knowledge Enhancement for AGO Corporate Staff (conducted by iCISA)

#### 4.4.8 Training provided to SAI Oman

Officers from SAI India visited SAI Oman for providing training to the officials of SAI Oman on the topic "Electronic Data Analysis". Director(CDMA) along with his team visited SAI Oman to provide training to the officials of SAI Oman.

# CHAPTER 5

## International Training Programmes



SAI India assists other SAIs in their capacity building for enhancing audit skills of their staff members. The course content of SAI India programmes is drawn from real life audit scenarios and presented by executives with first-hand experience in the delivery of Government Schemes & Programmes. The details of such efforts during 2022-23 are given below:

### 5.1 National Academy of Audit and Accounts (NAAA)

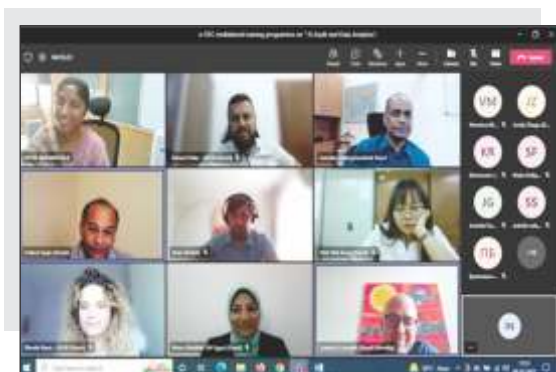
SAI India and SAI Bhutan have signed a Memorandum of Understanding (MoU) in the field of public audit for capacity building of Officer Trainees of SAI Bhutan through Indian Audit & Accounts Service (IA&AS) courses conducted by SAI India. During 2022-23, four officers (two each with 2021 and 2022 batch of IA&AS Officer Trainees) from Royal Audit Authority, Bhutan received training at the NAAA.

Under the ambit of the MoU between SAI India and SAI Maldives (signed on 24 October 2021), the SAI India offered to provide training on capacity building and strengthening audit methodologies to SAI Maldives during the visit of Auditor General of Maldives to India in February 2022. Accordingly, two officers of SAI Maldives are undergoing training with 2022 batch of IA&AS Officer Trainees at NAAA, Shimla.

### 5.2 International Centre for Information Systems and Audit (iCISA)

iCISA imparts training to the officials of the SAIs across the globe. The programmes offered at iCISA provide the officials with the tools and techniques required for effective auditing in line with the best professional practices. iCISA also serves as a prime resource centre for IT Auditing for SAI India.

During 2022-23, iCISA conducted two multilateral online international training programmes under e-ITEC on 'IS Audit and Data Analytics' and 'Auditing of IT Environment' in which 25 participants from 12 countries and 18 participants from 14 countries were trained respectively.



Online e-ITEC multilateral training programme on 'IS Audit and Data Analytics'



Online e-ITEC multilateral training programme on 'Auditing of IT Environment'

SAI India and SAI Maldives have signed a Memorandum of Understanding (MoU) in the field of public audit. The Article II of MoU contains a provision of capacity building of SAI Maldives staff through training programmes conducted by SAI India. Under the ambit of MoU, two residential ITEC international training programmes were conducted for the officials of SAI Maldives wherein 11 participants were trained.

Besides this iCISA conducted three residential International Training Programmes (ITPs) under the aegis of ITEC on 'Performance Audit', 'Audit of e-Governance' and 'Auditing of IT Environment' in which 36 participants each from 24 countries, 28 countries and 25 countries were trained respectively.



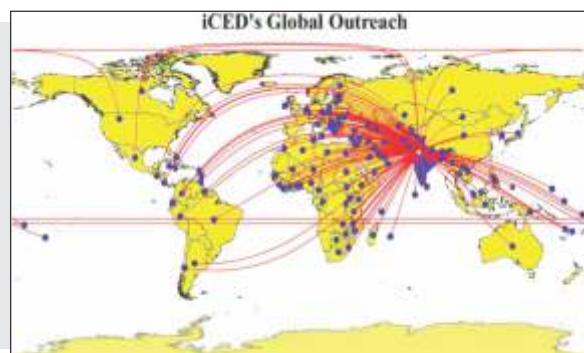
153<sup>rd</sup> International Training Programme on 'Audit of e-Governance'



154<sup>th</sup> International Training Programme on 'Auditing in IT Environment'

### 5.3 International Centre for Environment Audit & Sustainable Development (iCED)

iCED's mandate extends to impart capacity building, knowledge and experience-sharing in the area of environment audit and sustainable development to a diverse community of SAIs around the globe. During 2022-23, iCED conducted three on-site International Training Programmes and three online International Workshops/Training Programmes for 188 participants from 38 SAIs and 11 IA&AS Officers. These were highly appreciated by all participants. The Workshops included sessions on Climate Change Mitigation, Adaptation Strategies including Green Finance, Clean Water & Sanitation (INTOSAI WGEA) and Audit of Extractive Industries (INTOSAI WGEI), conducted by domain experts and distinguished academicians including fifteen faculty from global SAIs viz. The European Court of Auditors, SAI Finland, SAI Indonesia, SAI Zambia, SAI Uganda, AFROSAI-E etc.





### 188 Participants from 38 SAIs

#### Number of Participants

Afghanistan	11	01	Jamaica
Algeria	03	21	Kenya
Australia	01	03	Madagascar
Botswana	06	10	Maldives
Brazil	02	04	Mauritius
Bulgaria	03	05	Morocco
Costa Rica	01	03	Mozambique
Ecuador	09	02	Nepal
Egypt	13	01	Nigeria
Eswatini	05	01	Papua New Guinea
Ethiopia	05	03	Qatar
European Court of Auditors	01	09	Sudan
Fiji	01	05	Tanzania
Ghana	03	02	Tunisia
Guyana	01	19	Uganda
India	11	05	Vietnam
Indonesia	01	03	Yemen
Iran	01	10	Zambia
Italy	01	02	Zimbabwe



The 10<sup>th</sup> International Training Programme on Environment Audit at ICED, Jaipur in December 2022

## iCED- Striving for Excellence

### Feedback from International Training Programme participants

“I received a lot of helpful information about Environment Audit during this course..... The campus is green and full of facilities for dining, sports and research. The hostel is clean and the room is comfortable. The whole training programme is meaningful and updated. It was a good opportunity to share experiences between SAIs.”

*Ms. Ngo Thi Ngoc Tu  
SAI Vietnam  
December-2022*

“Topics were relevant and diverse. Lot of areas were covered in a short period of time. Everything at iCED is great, from the food, staff, rooms and recreation activities available. The atmosphere of the campus is also very nice and rooms are spacious and clean. It was a pleasure to be here and I hope to come again. Thank you for having us.”

*Ms. Aminath Shuaau Mohamed  
SAI Maldives  
December-2022*

“It has been a pleasure to be part of such a diverse and engaged group. I enjoyed the sessions and the participatory discussions. I was also impressed by the warm welcome received from iCED. Keep up the excellent work organizing relevant workshops and providing a platform to get and share knowledge.”

*Ms. Ramona Bortnowschi  
Principal Manager, Sustainable use of  
Natural Resources Directorate,  
European Court of Auditors  
February-2023*

“Thanks, ICED and all members of the staff for providing participants such interesting course on a subject matter which affect all societies around the globe. A heartfelt thanks to all the presenters who had a very wide experience in their field.”

**THANKS TO GOVERNMENT OF INDIA.**

*Mr. Sadanand Boodhoo,  
Mauritius  
March-2023*

“The Training Programme was exceptional and the faculties were very good and with a wealth of experience delivered the lectures. The Training has opened my understanding of the Extractive Industries sector and the knowledge learnt will go a long way in my audit work. The local excursion was on point especially the Light & Sound Show, at Amer Fort, Jaipur. The study on campus was very good. The staff were very hospitable and responded to our needs promptly. Keep up the Good Work.”

*Mr. Abdirahim Ali Maalim,  
SAI Kenya,  
March-2023*





सत्यमेव जयते

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