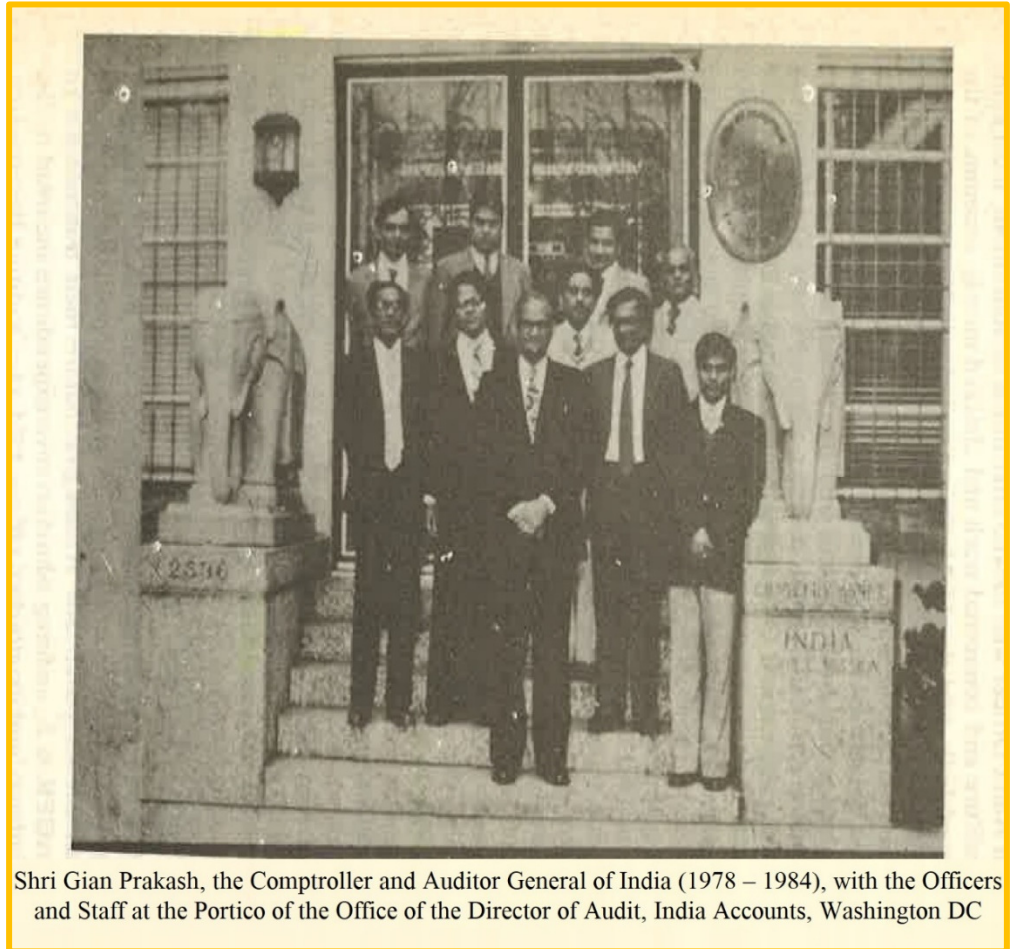


Writeup on Office of the Principal Director of Audit, Washington DC

A. Introduction and brief history of the office

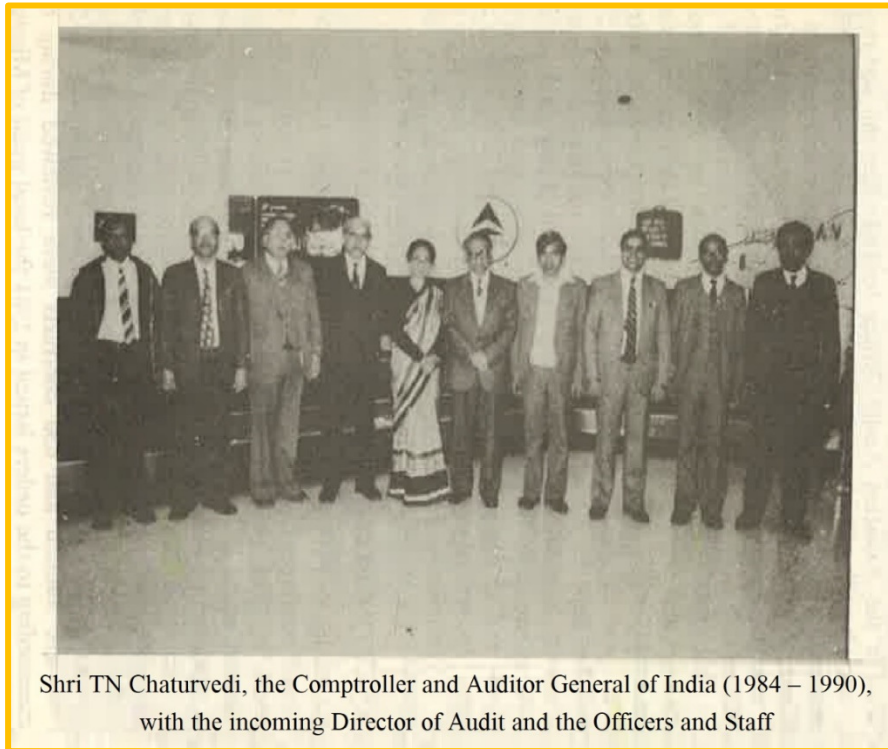
Office of the Principal Director of Audit, Indian Accounts, Washington DC is housed in the Chancery II building of the Embassy of India located at 2536 Massachusetts Avenue NW, Washington DC, 20008, USA.

Till the 1930s, India's expenditure in USA which arose initially in India or the UK was negligible and payments, if any, to be made in USA was arranged through Bank remittances. Accounting and audit were carried out either in India or the UK. During and after the Second World War, there was huge increase in India's foreign expenditure due to procurement of



food grains and the capital goods from America and emergence of new diplomatic missions in the North and South America after India became independent. There were long delays in the accounting and audit of the enormous transactions in the United States as no local audit was conducted. The Audit Officers in India were not able to conduct Central Audit on the expenditure as they did not receive documents like purchase files, contract documents etc. and audit was confined merely to seeing that the stores shipped from USA were duly received and accounted for in the consignee's ledgers. Lack of knowledge of local conditions involved lot of unnecessary

correspondence between the audit offices in India and the Government of India Offices in the USA.



In July 1950, the then CAG Shri V. Narahari Rao conducted a feasibility study, of opening an Audit Office in Washington DC for effective audit of Government expenditure in USA. Based on the report, CAG approved the setting up of an Audit Office headed by a senior IAAS Officer¹ designated as Audit Officer Indian Accounts, Washington DC

with effect from August 1951. The office was entrusted with audit of the accounts of Indian Embassy in Washington DC, including its attached offices, such as the Indian Information Services, Military Attaché , Air Attaché, the India Supply Mission etc and also local audit of the office in the two Americas. Shri G. Mathias was the first to hold the post of Audit Officer, Indian Accounts, Washington DC. He was assisted by one Assistant Audit Officer, four SAS Accountants, one Clerk, one Typist, one Secretary and one Messenger.

The Audit Officer was re-designated as Director of Audit with effect from January 1962. The Office was further upgraded to office of Principal Director with effect from February 2002.

B. Organization Structure and Sanctioned Strength

The Principal Director of Audit, Indian Accounts, Washington DC functions under the supervision of Deputy Comptroller and Auditor General (Report Central) in the Office of the Comptroller and

¹ Initially the post was in Comptroller grade but was subsequently reduced to Junior Administrative Grade from November 1961

Auditor General of India, New Delhi. The organization chart of the office is given below:



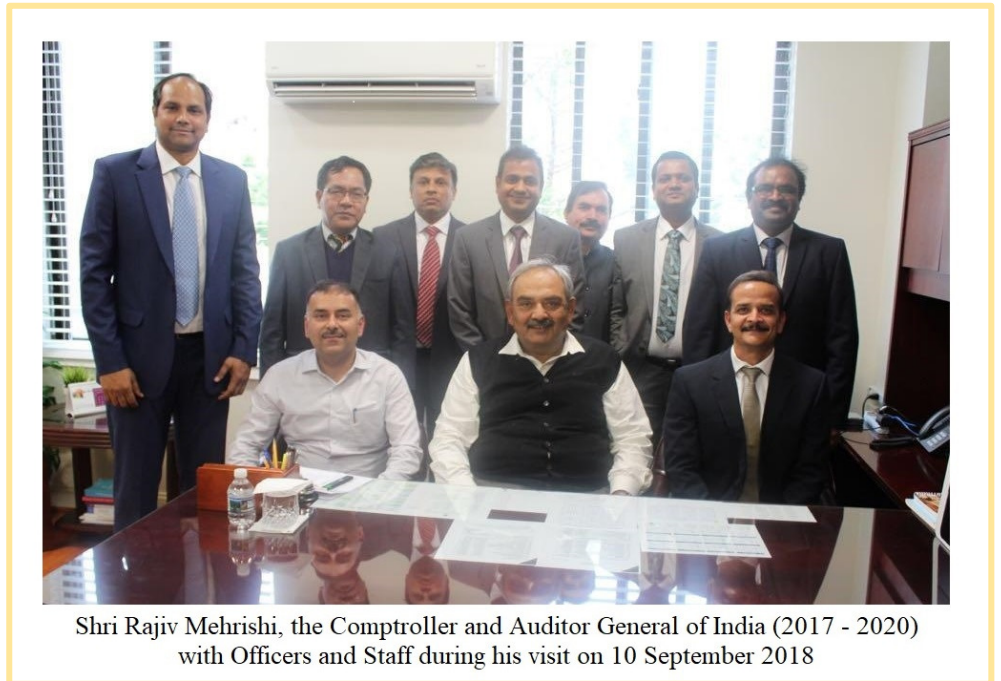
As of November 2020, the sanctioned strength and person in position is as shown in table below:

Table 1: Sanctioned strength and Persons in Position

Post	Sanctioned strength	Person in position	Remark
Pr Director	1	1	India based
Director	1	1	India based
Sr Audit Officer	1	1	India based
Asst Audit Officer	4	4	India based
Personal Assistant	1	1	India based
Accountant	1	1	Locally recruited
Chauffeur for Staff Car	1	1	Locally recruited
Total	10	10	

C. Audit Jurisdiction

In 1987-88, the audit jurisdiction of the office covered 22 Mission/ Posts of Government of India in America and Canada and 7 offices/branches of Public Sector Undertakings (PSUs). As of November 2020, there are 34 auditee units comprising of 25



Missions/Posts, one² Tourist Office and 8³ units of PSUs spread out in 16 countries⁴ in North America and South America.

The annual audit program of the office is drawn up and submitted to Headquarters for approval. The audit interval is prescribed in terms of the guidelines of the Comptroller and Auditor General of India after taking into account the average total expenditure of the audited entities for the preceding three years. Out of the 34 units under the jurisdiction of this office, we audit on an average 25 units every year as per the approved audit plan.

D. Budget and financials

During the year 2019-20, the actual expenditure of the office was ₹ 11.42 crore as shown in the table below:

Table 2: Expenditure figures of the office (₹ in crore)

Head	Actual Expenditure 2019-20
Salaries	7.04
Medical Treatment	0.50
Foreign Travel Expenses	3.47
Office Expenses	0.41
Information Technology	0.01
Total	11.42

For the same period i.e., 2019-20, the quantum of audit on expenditure side was ₹ 1,421.49 crore while on the receipt side was ₹ 3,574.32 crore as shown in the table below:

Table 3: Execution of Audit Plan for 2019-20

Category	Quantum of audit coverage (₹ in crore)	
	Receipt	Expenditure
Missions & Posts	571.78	555.87
Tourism Office	0.04	29.05
Public Sector Undertakings	3,002.50	836.57
Total	3,574.32	1,421.49

² India Tourism Office, New York

³ **Ministry of Civil Aviation:** 1- Air India Regional Office, New York; 2 - Air India Material Management Department, New York; 3 - Air India, Chicago; 4 - Air India, Washington DC; 5 - Air India, San Francisco and 6 - Air India, Toronto. **Ministry of Defence:** Bharat Electronics Ltd, New York. **Ministry of Commerce & Industry:** Marine Products Export Development Authority, New York

⁴ USA, Canada, Columbia, Venezuela, Guyana, Trinidad & Tobago, Brazil, Cuba, Guatemala, Argentina, Panama, Chile, Mexico, Peru, Suriname and Jamaica

Besides this audit of transactions, the office also examines the issues relating to Consular functions of the Missions and Posts and the functioning of ICCR Wings in some stations.



Officers and Staff in front of Chancery building - November 2020



Entrance of Audit Wing