

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

**NEW DELHI
16th NOVEMBER, 2022**

Accountability and transparency are twins that help blossom and sustain our democratic progress – Vice President

VP lauds Comptroller and Auditor General of India (CAG) for establishing itself as an auditing organization of global repute

Vice President inaugurates 2nd Audit Diwas celebrations at CAG office today

We rededicate ourselves to the service of the nation says CAG

Public Audits to serve as dependable aid for good governance for the benefit of citizens of India: Murmu

The Vice President, Shri Jagdeep Dhankhar today described accountability and transparency as twins that help to sustain our democratic progress. He said that accountability in public service delivery is quintessential to good governance to ensure that benefits trickle to the last rows.

Addressing a gathering after inaugurating 2nd Audit Diwas celebrations at CAG office in New Delhi today, he highlighted that CAG has a pivotal role in ensuring these values; corruption and inefficiency would creep into the system, otherwise.

Describing audit as a powerful and inescapable tool of good governance, Shri Dhankhar cautioned 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 imparted for long by governmental entities.

Noting that CAG of India has been the External Auditor of various United Nations (UN) organizations 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. “Timely detection of fiscal misdemeanours and effective consequential correction mechanisms are peremptory CAG obligations,” he added.

Calling for continually enhancing credible systems to tackle the challenges before us, the Vice President highlighted that engaging in self-audit would be rewarding.

He appreciated the CAG for giving audit priority to many citizen-centric programmes such as Direct Benefit Transfer, National Pension System and so on. 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 for using data analytics for auditing.

On this occasion, the Vice President also felicitated the winners of the National Online Essay Writing Competition - 2022 organized by CAG as part of its 2nd 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.

Speaking on the occasion, the Comptroller and Auditor General of India, Shri Girish Chandra Murmu stated that "the Audit Diwas commemorates the day the first auditor general took charge of this office in 1860. Over time, the role of the CAG has evolved to assume wider responsibilities to strengthening democracy and governance of our country. This day is a reminder to every member of this institution to follow our motto of लोकहितार्थं सत्यनिष्ठा - the path of truth for the larger public good. This is a day to reaffirm our commitment to good practices, personal integrity, and high professional standards. It also affords a chance to each of us - officers and staff of the institution - to engage with our stakeholders and communicate to the citizens of this country our dedicated service to them as a public audit authority."

Shri Murmu stated that "Beginning today, several events are being organized to mark Audit Diwas across our offices in the country. The celebrations will continue for a week. We shall later, also announce the awards for innovations in the fields of public auditing and accounting, and for the noteworthy improvements in individual offices. These awards acknowledge the creative collaborations among officers and staff, whose contributions have made incremental, yet valuable difference to our constant attempt to change and improve how we work."

Speaking about the innovative products the CAG said, "to strengthen executive accountability, we have introduced various innovative audit products for focused engagement such as Departmental Appreciation Notes, Management Letters and Study Reports. These products will be useful for the Executive to keep track of our audit findings. We believe that this initiative, along with the CAG's Audit Reports, will bring tangible benefits in the day-to-day working of the executive. An impactful audit and a responsive executive can improve efficiency to a large extent, which will ultimately impact the lives of ordinary citizens in the spirit of 'minimum government and maximum governance'. It is heartening to note that the Government has taken cognizance of our efforts and paid renewed attention to our Reports."

He said "It is in this context that we have put together a volume of *The Compendium on Catalysts in Pursuit of Good Governance*. The idea is to promote good practices in all our audit and accounts departmental offices. These efforts, we believe, will yield rich dividends in terms of improving the quality of professional skills and audit products."

The CAG highlighted various initiatives taken to improve internal functioning of the institution – introduction of a new system of technical inspection of audit offices; framing of peer review guidelines for audit offices in line with best international practices; development of guidance framework for utilising technology tools such as remote sensing, geographical information system, global positioning system for audit planning and evidence gathering.

CAG also mentioned about another ground breaking move taken recently to release the handbook on Natural Resources Accounting, one of the few examples of such handbook anywhere in the world, covering 28 states and one Union Territory.

Expressing his happiness, Shri Murmu said, “We have been able to take advantage of emerging technological trends for improving auditing and accounting processes. We are currently implementing an integrated IT system called the OIOS system or (One IAAD One System). It is an end-to-end enterprise wide IT system for audit process automation and knowledge management. Once ready, it will become the primary source of record of all our audit activities, and would eventually replace all paper records. The vision is to create one single paperless audit system. I am also confident that we will become a fully data-driven organization in the near future.”

The CAG continued to say that, “in the area of our work on local governance, therefore, we have introduced a new District Centric Audit to improve service delivery at the grassroots. We have also substantially increased our local audit coverage, and are now coordinating with state governments and local fund auditors to build capacity and improve audit practices. He concluded, “In this 75th year of independence, as we celebrate Azadi Ka Amrit Mahotsav, I take this opportunity, in the presence of our Honourable Vice President of India, to rededicate ourselves to the service of this nation. This will be our humble contribution to nation building, in which public audits will serve as dependable aid for good governance, inclusive growth and sustainable development for the benefit of citizens of this country.”

In her address Deputy CAG, Ms Parveen Mehta expressed that “There is no better occasion than this to express sincere gratitude for the resolute march towards excellence – in terms of the significant increase in approved audit reports from 120 to 182 in the preceding 12 month interval marked by Audit Diwas, covering the gamut of financial, compliance and performance audits across all three tiers of governance. Our commitment to sustainable development is evidenced by the first time preparation of the Compendium of Asset Accounts on Mineral and Energy Resources in States 2020-21”.

Following is the full text of speech of Vice President –

“Delighted to be part of the Audit Diwas celebrations today.

Congratulations on CAG foundation day, and for organising the 30th Accountants General Conference to mark the occasion.

Critical importance of the institution of the CAG was significantly indicated by Dr. B R Ambedkar in the Constituent Assembly. He reflected:

“I am of the opinion that this dignitary or officer 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.”

It is indeed satisfying to note that CAG as institution has, over the years, exemplified spinal strength.

This elevated status is consequence of seminal leadership the institution has been benefiting from.

The credibility earned by the institution is due to the the painstaking efforts of the successive CAGs that brought this institution where it is today.

Impactful and wholesome CAG functioning has generated evolution of transparent and accountable eco system. Such a scenario has affirmatively contributed to our growth trajectory.

By virtue of constitutional prescription under Article 151 of the Constitution CAG reports are required to be laid before each House of Parliament as also before the Legislature of the States.

It is expected such reports receive due attention and consideration of the Parliamentarians and Legislators so that probity, efficiency and transparency in governance improves and accountability is enforced.

Painstaking efforts of CAG would bear fruit and results with timely Legislature and Executive actions in tandem and togetherness.

In a recent milestone accomplishment India secured the status of the fifth largest economy in the world and is on way to being the third largest global economy by turn of the decade.

The country has made rapid strides in structural and institutional reforms making the Country attractive opportunity and investment destination in the world.

The world is rightly looking at us today as a catalyst for positive change.

Transparent accountability in public service delivery is quintessential to good governance so as to ensure benefits trickle to the last rows. This can be impactfully brought about and enhanced by CAG acting as vigilant watchdog.

Appreciate significantly apt theme of today’s Accountants General Conference- *‘SAI India: Contributing to India Onward and Ahead’*.

Am sure the deliberations would focus on opportunities and challenges with a view to fast track our continual upward growth trajectory.

Accountability and transparency are twins that help blossom and sustain our democratic progress. Lack of these breeds corruption and inefficiency. CAG has a massive role to root out this menace.

We must build and continually enhance credible systems to tackle the challenges before us.

Engaging in self audit and calibration would be rewarding. Timely detection of fiscal misdemeanours and effective consequential correction mechanism are peremptory CAG obligations.

Audit is a powerful and inescapable tool of good governance. Absence of audit or inefficient audit is the surest passage to system degeneration. This underlines imperatives of CAG focus. Instances of utility certificates involving massive public funds not being imparted for long by governmental entities needs exemplary corrective focus.

By discerning errors and highlighting wastefulness and extravagance in public spending, the CAG not only ensures that the government delivers its promise with economic efficiency, but also it helps to stamp out inefficiency and corruption.

Functional, vibrant and impactful CAG mechanism is safest assurance that the intended benefits actually reach the citizens- the ultimate beneficiaries.

It is soothing to gather that the CAG has given priority to audit many citizen centric programmes such as Direct Benefit Transfer, National Pension System and so on. CAG focus will make the system robust delivery mechanism.

The findings of these types of audits will give extremely important inputs which will help in better planning and management of citizen centric schemes.

The digital revolution, combined with CAG's exemplary service in promoting transparency, is revitalising grassroots democracy in our country.

This august institution should find ingenious and innovative ways to involve public at the grassroots level in its audit processes.

In fact, the CAG has to play a proactive role in improving efficiency, monitoring and outcomes delivered by Government schemes.

It is satisfying to note that to manage emerging challenges CAG is continuously engaged in upgrading its professional skills and practices to stay ahead of the learning curve.

I commend CAG initiatives to become an IT-led institution and using data analytics for auditing.

This has helped CAG in enhancing efficiency and enabling analysis and risk based audit.

CAG of India has established a reputation as a robust auditing organisation with global best practices.

It is the External Auditor of various United Nations (UN) organizations over the years.

Its international audit portfolio includes external audit of several important UN organizations including

World Health Organization (WHO), Food and Agriculture Organization (FAO), Inter-Parliamentary Union (IPU), Organization for Prohibition of Chemical Weapons (OPCW) and International Atomic Energy Agency (IAEA).

On this occasion, I would also like to congratulate all the seven university students who have won the National Online Essay Writing Competition, and who've joined us here today from different parts of the country.

They wrote exceptional essays on themes in align with current governance vision.

I am confident that this august institution would continue to find ways to involve public at the grassroots level in its impact assessment process and act as crusader against corruption and fiscal inefficiency.

With enhanced pro-active stance of the CAG, there is bound to be improved efficiency and monitoring and reach of government schemes.

I take this opportunity to commend the supreme audit authority and all the officers for their high ethical standards.

I am sure, CAG will continue to emerge stronger and vibrant in days ahead.

Jai Hind!”









BSC/SS/MH/TT/72-22