

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

New Delhi
10th October 2018

CONSTANT EFFORTS TO IMPROVE AUDIT EFFECTIVENESS - CAG

CAG institution is constantly reviewing its systems and approaches to improve audit effectiveness in the new and changing paradigms of governance. Addressing the two-day Accountants General Conference here today, Comptroller and Auditor General of India, Shri Rajiv Mehrishi said that this conference is to reflect on the changes taking place in the governance structure and what changes and improvements are needed in our own internal practices.

Shri Mehrishi said that the conference is held in the context of changes that IT is bringing to our world. Everything we do – business, commerce, entertainment, reading, booking tickets – there is hardly any human activity left untouched by this technology, including indeed on how Governments govern and we, the citizens, are governed, he added. Therefore, the theme of this Conference is: Auditing in an IT Environment.

The CAG said Government's vision of a digital India will further catalyse this transition. Challenge and an opportunity for us in the Audit & Accounts Department.

Challenges:

- Audit IT systems: safety, security, robustness & auditability.

- enhance our systems & skills to conduct audit in IT environments, using IT tools.
Opportunity: Solves problems of not having 100% audit.
- Ensure 100% transactions which are non-repudiable – then, no test audit, no discrete incidents of fault.
- In turn, that means, in accounting terms, we can give “ASSURANCE”
- A dream for any Company, even UN, and ought to be for Government.

Stating that fathers of the Constitution recognized the value of this Institution, and its independence, the CAG quoted the statement of Dr. Ambedkar “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. If this functionary is to carry out his duties, which I submit, are far more important than the duties even of the judiciary appointment of officers and servants of the Supreme Court. He should have been certainly as independent as the Judiciary. But, comparing the articles about the Supreme Court and the articles relating to the Auditor-General, I cannot help saying that we have not given him the same independence which we have given to the Judiciary, although I personally, feel that he ought to have far greater independence than the Judiciary itself.” Shri Mehrishi said the CAG institution has lived up to the vision and expectations of fathers of the Constitution, and to the motto of Indian Audit and Accounts Department.

Shri Mehrishi also reproduced a quote of first President of India Dr. Rajendra Prasad who said: “At the present moment when the Government is

incurring a huge expenditure on so many welfare projects ... it is essential that every rupee that we spend is properly accounted for. This important task — I am afraid, a task not always very pleasant — devolves upon the Comptroller and Auditor General and his office. In accordance with the powers vested in him, he has to carry on these functions without fear or favour in the larger interests of the nation.” Accordingly, our motto is लोकहितार्थसत्यनिष्ठा “Dedicated to Truth in Public Interest.”

Speaking on the occasion Deputy CAG Shri Ashwini Attri assured that the next two days of the conference will focus on how to use technology to create innovative models greatly increasing the efficiency, effectiveness, speed and scale of auditing and accounting. Shri Attri said that the relationship between the PAC and the CAG is complementary to secure the accountability of the executive in the field of financial administration.

The Overarching theme for the Conference is ‘Auditing and Accounting in a digital era’. They will deliberate upon four brain storming sessions on (i) Audit Planning (ii) Audit Execution (iii) Audit Reporting (iv) Accounting in a digital Environment. The recommendations emerging out of these sessions will be presented to the full assembly chaired by the CAG with all the Dy. CAGs and Addl. Dy. CAGs present. About 200 Accountants General posted all over the country are participating in the Conference.

BSC/RSJ/TT