

PRESS RELEASE

OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

**New Delhi
16th November, 2024**

The following is the text of speech of CAG of India, Shri Girish Chandra Murmu delivered at the AUDIT DIWAS here today

It is my great privilege and honour to welcome you all to this august gathering to celebrate the momentous occasion of the 4th Audit Diwas.

I extend our heartfelt gratitude to our Chief Guest, Honourable Speaker of the Lok Sabha, for gracing us with his presence today. Sir, we are truly grateful to you for setting aside the time to join us.

Audit Diwas, celebrated on 16th November, commemorates the appointment of India's first Auditor General in 1860, marking a significant milestone in the establishment of effective financial oversight. The celebrations spotlight the historic origins of the Indian Audit and Accounts Department and the contribution it has made to the good governance, transparency and accountability over the last 164 years. Each year, we observe Audit Diwas through a series of events aimed at rekindling our dedication to our mission and reaffirming our commitment to good governance. These initiatives embody our relentless pursuit of excellence in public sector audit and accountability, reflecting our unwavering resolve to uphold the highest standards of integrity and service. It is also an occasion to engage with our stakeholders through events that spread awareness of the role of CAG of India in the Constitutional scheme of governance.

Over the past few years, one of our endeavours has been to provide timely critical insights to those charged with governance. Recognizing that accounting and auditing are the cornerstones of public financial management, we have ensured timeliness in submission of accounts and strengthened the quality of reporting on State Finances with the overall objective of improving Public Financial Management in the country. I am pleased to inform you that as a result of our sustained efforts, we are now submitting monthly accounts in several states by the tenth of the next month as against the target of 25th.

On the audit side, we have streamlined our processes to direct attention on topics of social relevance that have a bearing on people's lives and livelihoods, their access to

benefits and resources, as also issues of equity and sustainability. As these are common topics across States, we have developed a strategy for adopting a uniform approach to audit of these topics across all states in a coordinated manner. An institutional mechanism has been set up to synchronise the audit efforts right from the planning stage to facilitate regular exchange of technical inputs and developing other touch points and mechanisms to achieve the desired outcomes. Some of the horizontal audits already undertaken include hospital management, local governments, and waste management. Horizontal audits in sectors like Blue Economy, Public Health Infrastructure and Management of Health Services are underway and many more topics of public relevance have been planned for audit in the coming years.

In this dynamic technological landscape, as governments increasingly use AI and emerging technologies to provide services, there are numerous risks ranging from privacy breaches, algorithmic biases to social exclusion. I am happy to share that as an organisation we are deeply cognisant of these developments and are engaging closely with emerging technological trends for enhancing the effectiveness of auditing and accounting practices in such a landscape. Our Centre for Data Management and Analytics, not only provides guidance to field offices on data analytics but also functions as a pioneering research and development hub for data analytics for the future. Honourable Sir, we are very proud that today we have an end-to-end enterprise-wide IT system for audit process automation called the One IAAD One System. It is a matter of great pride to inform this August gathering that our prowess in Information Technology has been recognized globally and we are providing capacity building support in Information Technology Audits in multilateral forums as also bilaterally to several Supreme Audit Institutions as far away as Jamaica.

In the quest for strengthening auditing and accounting practices, all offices of the CAG's organisation are encouraged to think out-of-the-box and adapt to changing technological and governance environment by experimenting with new techniques which help in nurturing creativity in methodologies, economy in operations and result in better execution of functions. Every year, we publish some of the best practices and innovations successfully employed in the offices, in a Compendium titled "The Catalyst...in pursuit of good governance". This not only promotes the adoption of similar good practices across the organisation, but also showcases our competence to our stakeholders and builds their confidence and trust in our work.

Another focus area of the institution over past few years has been audit of the third tier of governance the local governments. In my view, this is critical for enhancing transparency and accountability in governance. As a first step, we decided to conduct a horizontal audit across States on implementation of the 74th Constitutional amendment Act to assess the

extent of achievement of the targeted devolution to Local Bodies; and so far Audit Reports on the subject have been presented before 18 State Legislatures. In addition, major audit findings and recommendations from reports of these 18 States have been collated in the form of a Compendium.

I am happy to share that, an international training centre International Centre for Audit of Local Governance (iCAL) was inaugurated on July 18, 2024, in Rajkot, Gujarat. This is the first of its kind training institute to enhance the capacity building and independence of local government auditors, with the objectives of improving financial performance, service delivery, and data reporting of local Governments. iCAL builds on SAI India's successful track record with other international training centers, iCISA and iCED. It furthers our commitment to enhancing local governance audits and promoting global knowledge sharing and collaboration among Supreme Audit Institutions. Through workshops and peer exchanges, this training centre is intended to share best practices and effective auditing guidelines, underscoring the vital role of local governance in sustainable development and economic growth.

We are constantly striving to design tailor made approaches to communicate more effectively with our stakeholders. Recently, we have brought out Compendia synthesizing audit observations and recommendations on other sectors also, like Education, Energy and CPSEs. We are confident that these Value Added Products will serve as a valuable resource to policymakers, academia, research scholars and readers, fostering constructive action and improving the governance environment.

CAG's organisation is a knowledge based organisation, and our employees are our biggest assets. We have a strong workforce of more than 41,000 persons in India and abroad. To recognize and reward excellence in work, we have instituted the CAG's Awards for Innovation and Excellence in Public Auditing and Accounting. These awards are given to teams that have demonstrated remarkable innovations & excellence in specific projects; as well as to offices that have shown outstanding performance. The awards will be presented during the afternoon today.

Honourable sir, today, I am delighted to share some remarkable developments relating to our role in the audit of international organisations. The CAG of India has been re-elected as External Auditor for the World Health Organization and the Organisation for Prohibition of Chemical Weapons. Also presently, we are also the external auditor of the International Labour Organization, International Atomic Energy Agency and Food and Agriculture Organization. These appointments not only reflect our standing among the international community but also highlight our commitment to upholding the highest standards of

professionalism and integrity in audit practices and to ensure transparency and accountability in vital international organizations.

In addition to playing a leading role in multilateral audit forums and auditing international organizations, we have pursued with vigour a policy of strengthening bilateral relations with other SAIs. We have MOUs with more than 25 SAIs now and this has led to healthy exchange of ideas, experiences and best practices in the domain of public sector auditing with our audit fraternity from other nations.

Hon'ble Speaker, we achieved a significant landmark in terms of India's presence in the international auditing fraternity, when the CAG of India assumed the chair of Asian Organisation of Supreme Audit Institutions - ASOSAI for the term 2024-27. We hosted the 16th ASOSAI Assembly and related events from 21st to 27th September 2024 in New Delhi. This event, inaugurated by the Hon'ble President of India, brought together about 200 delegates from ASOSAI member nations and representatives from international organisations like INTOSAI and IDI. It provided a significant opportunity for the Supreme Audit Institutions across Asia to converge, share insights and shape the strategic directions of ASOSAI.

As the saying goes, "In preserving our history, we honour our past, understand our present, and inspire our future." I am filled with pride and gratitude to announce that SAI India this year established a unique museum —'The Chadwick House: Navigating Audit Heritage' — located in Shimla. This marks a significant milestone in the preservation and celebration of the institution of C&AG and its rich heritage and contribution to the Nation's governance. The ten distinct well curated galleries of the museum offer visitors a comprehensive understanding of the Institution and its history and it is a repository of knowledge and a source of inspiration for future generations of auditors.

Honourable Speaker, the CAG organization is fully committed to the service of this nation. With high quality accounting and Public Audits, we will continue to serve as dependable aid for good governance, inclusive growth and sustainable development for the benefit of citizens of this country.

I conclude by once again welcoming the Honourable Speaker of Lok Sabha and other distinguished guests to the 4th Audit Diwas.