



भारतीय लेखापरीक्षा और लेखा विभाग
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
प्रधान महालेखाकार (लेखापरीक्षा)-I का कार्यालय
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT)-I,
प्रतिष्ठा भवन, १०१, महर्षी कर्वे मार्ग, मुंबई - ४०० ०२०
PRATISHTHA BHAVAN, 101, MAHARSHI KARVE MARG, MUMBAI - 400 020



क्र. / No.

सं. समन्वय कक्ष /राज्य लेखा परीक्षा सलाहकार बोर्ड(एसएएबी) / F-7

दिनांक/ Date :

दिनांक 21.07.2022

सेवा मे

भारत के अतिरिक्त उप नियंत्रक और महालेखापरीक्षक (पश्चिमी क्षेत्र)
कार्यालय भारत के नियंत्रक एव महालेखाकार,
10, बहादुर शाह जफर मार्ग,
नई दिल्ली 110124 -

विषय:- Minutes of the State Audit Advisory Board Meeting.

महोदया,

उपर्युक्त विषय के संबंध में मुख्यालय के पत्र संख्या 223 लेखापरीक्षा (एपी)/27-2009 दिनांक: 17.08.2009 के साथ पृष्ठांकित दिशा-निर्देशों के अनुसार, राज्य लेखा परीक्षा सलाहकार बोर्ड की बैठक दिनांक 07/06/2022 को आयोजित की गई थी। इस बैठक के कार्यवृत्त की प्रति इस पत्र के साथ आवश्यक कार्रवाई हेतु अग्रेषित की जा रही है।

प्रधान महालेखाकार के अनुमोदन से जारी किया गया है।

भवदीय,

हस्ता/-

उप महालेखाकार/ लेखापरीक्षा प्रबन्ध समूह -I

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सं. समन्वय कक्ष /राज्य लेखा परीक्षा सलाहकार बोर्ड(एसएएबी) / F-7

दिनांक 21.07.2022

महा निदेशक (प श्रे)

कार्यालय भारत के नियंत्रक एव महालेखाकार,
10, बहादुर शाह जफर मार्ग,
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हस्ता/-

उप महालेखाकार/ लेखापरीक्षा प्रबन्ध समूह -I

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सं. समन्वय कक्ष /राज्य लेखा परीक्षा सलाहकार बोर्ड(एसएएबी) / F-7/55(B)

दिनांक 21.07.2022

1. Ms. Jaya Bhagat
Principal Accountant General (A&E)-I, Mumbai, Maharashtra.
2. Ms Anitha Balakrishna
Accountant General, Goa
3. Shri Thiruppathi Venkatasamy
Accountant. General, (Audit)-II, Nagpur, Maharashtra
4. Shri V. P. Raja
I.A.S.(Retd)
5. Ms Sushama V. Dabak
I.A&A.S.(Retd)
6. Ms. Shalini Bharat
Director, Tata Institute of Social Sciences, Mumbai
7. Shri Milind Mhaske
Chief Executive Officer, Praja Foundation


उप महालेखाकार/ लेखापरीक्षा प्रबन्ध समूह -I

MINUTES OF THE MEETING OF THE STATE AUDIT ADVISORY

The first meeting of the State Audit Advisory Board (SAAB) was held on 07/06/2022 at 03.00 p.m. in the Conference Hall of O/o the Pr.AG (Audit-I), Maharashtra, Mumbai.

Shri S. K. Jaipuriyar, Pr. Accountant General presided over the meeting. The meeting was attended by the following: -

| Sr. No. | Name & Designation | |
|---------|--|--|
| 1. | Shri S. K. Jaipuriyar Principal Accountant General (Audit)-I, Mumbai, Maharashtra | Chairperson of SAAB |
| 2. | Ms. Jaya Bhagat Principal Accountant General (A&E)-I, Mumbai, Maharashtra | Ex-Officio Member of SAAB |
| 3. | Ms Anitha Balakrishna Accountant General, Goa | Ex-Officio Member of SAAB |
| 4. | Shri Thiruppathi Venkatasamy Accountant. General, (Audit)-II, Nagpur, Maharashtra | Ex-Officio Member of SAAB |
| 5. | Shri V. P. Raja, I.A.S.(Retd) | Honorary Member of SAAB |
| 6. | Ms Sushama V. Dabak, I.A&A.S.(Retd) | Honorary Member of SAAB |
| 7. | Ms. Shalini Bharat Director, Tata Institute of Social Sciences, Mumbai | Honorary Member of SAAB |
| 8. | Shri Milind Mhaske Chief Executive Officer, Praja Foundation, Mumbai | Honorary Member of SAAB |
| 9. | Shri Santosh V. Khedkar Sr. Dy. Accountant. General/ AMG-II, O/o the Pr. AG (Audit)-I, Mumbai, Maharashtra | -- |
| 10. | Shri Madhusoodanan K Nair Sr. Dy. Accountant. General/ AMG V, O/o Accountant.General (Audit)-II, Nagpur, Maharashtra, Mumbai Branch | -- |
| 11. | Shri Karan Vohra Dy. Accountant. General /AMG-I, O/o the Pr. AG (Audit)-I, Mumbai, Maharashtra | Ex-Officio Member Secretary of SAAB |
| 12. | Shri Jyotimoy Bailung Dy. Accountant. General/Admn O/o the Pr. AG (Audit)-I, Mumbai, Maharashtra | -- |
| 13. | Ms Gowri Iyer Sr Audit Officer/Coordination Cell, O/o the Pr. AG (Audit)-I, Mumbai, Maharashtra | -- |
| 14. | Shri John Philip Asst Audit Officer/CAW II O/o Accountant.General (Audit)-II, Nagpur, Maharashtra, Mumbai Branch | -- |

Shri Karan Vohra, Dy. Accountant. General /AMG-I, O/o the Pr. AG (Audit-I), Mumbai, Maharashtra & Ex-officio Member-Secretary of the Board welcomed the Chairperson, Ex-Officio Members and the Honorary Members of the SAAB.

1. Pr AG(Audit)-I, Mumbai gave a brief about the Audit machinery in the state of Maharashtra. He explained that after implementation of Cluster-based restructuring of audit offices from 01.04.2020, there are two audit offices for the State of Maharashtra viz offices of Pr. Accountant General (Audit)-I, Maharashtra, Mumbai and office of the Accountant General (Audit)-II, Nagpur. Departments of the state government have been divided between the two offices. It was further stated that selection of topics for Performance Audits and Thematic Audits was done using Risk based Methodology. Each department was given Risk Scores based on Materiality, Significance of activities, Visibility and Estimated Impact of audit.
2. Pr AG(Audit) I, Mumbai further added that the Audit Advisory Board provides suggestions on matters relating to audit, including coverage, scope and prioritization of audits together with suggestions regarding audit approaches and techniques within the framework of the Constitution and statutory mandate of the Comptroller & Auditor General of India.
3. Dy. Accountant. General /AMG-I, O/o the Pr. AG (Audit)-I, Mumbai, Maharashtra presented the PPT wherein it was shown how the Geographical cum functional Distribution of work among three state audit offices in Maharashtra viz. Audit I, II & III was replaced by the Cluster based distribution between the two audit offices in Maharashtra viz offices of Pr. Accountant General (Audit)-I, Maharashtra, Mumbai and office of the Accountant General (Audit)-II, Nagpur after restructuring of state audit offices.
4. As part of Risk Assessment methodology, it was explained that the (i) departments and (ii) substantive areas of the departments were ranked on the basis of parameters contained in para 3.11 of Compliance Auditing Guidelines which are grouped into four broad categories viz Financial Materiality, Significance of Activities, Visibility and Estimated Impact of Audit carrying weightage of 30%, 40%, 20% and 10% respectively. While planning the compliance audit and PA/TA, these substantive areas are useful for identifying the subject matter/focus areas.
5. The members were then apprised of the PA topics taken up in the Annual Audit Plan 2021-22 and PA topics planned to be taken up in the Annual Audit Plan 2022-23 by O/o Pr AG(Audit) I, Mumbai (Annexure A).
6. Pr AG(Audit) I, Mumbai stated that Horizontal Performance Audit of Public health Infrastructure and Management of Health Services has special importance, especially as the same has been taken up post COVID period. The audit will throw light on the lessons learnt during the tough times when the world was facing crisis due to the pandemic.
7. DAG/AMG-I briefed the objectives of the PA of Public health Infrastructure and Management of Health Services.
8. Ms. Shalini Bharat asked how the data for the PA would be collected? She also said that the situation differs from state to state. Mumbai and Delhi being worst affected during COVID 19, may need to be treated accordingly.
9. DAG//AMG-I, O/o the Pr. AG (Audit-I), Mumbai explained that the PA of Public health Infrastructure and Management of Health Services was survey driven and there were separate beneficiary survey for IPD patients, OPD patients and Doctors. Also, there were exhaustive checklists for line services, support services and auxiliary services.

10. Shri V. P. Raja stated that historic lessons need to be learnt from the crisis. He mentioned that earlier the Civil surgeons in Primary centres and Government Health Centres were responsible for Health and welfare of the society at large. But with passage of time, the Private sector also got involved in the Health care system. Due to this, the services provided by the Primary centres were neglected. During COVID times nearly 30%-40% of the critical posts in the health sector were vacant. The private sector also could not cope up with the crisis. The situation was well handled by the Municipal Commissioners, who took up the responsibility. He also pointed out that audit need to check whether proper records of vaccination are kept.
11. Ms Sushama V. Dabak emphasized that the PA of Public health Infrastructure and Management of Health Services should cover the vaccination aspect also.
12. Shri V. P. Raja stressed that analysis of vacant/ unfilled posts, recruitment, promotions in the health area is a serious matter and should not be overlooked. It was ensured by Pr AG(Audit) I, Mumbai that the PA of Public health Infrastructure and Management of Health Services will cover all the relevant areas and highlight the steps taken by the State in handling the crisis.
13. Regarding Horizontal Performance Audit of Public Health Infrastructure and Management of Health Services, PAG(A&E) I, Mumbai mentioned some specific points noticed and pursued by their office, which can be looked into by Pr. AG (Audit-I), Mumbai during the Performance Audit.
 - i) PAG(A&E) I, Mumbai stated that as the Performance Audit covered the period from 2017-18 to 2021-22, the issues in centralized procurement of PPE and health equipment during the Covid 19 pandemic should be audited and commented on. The centralized procurement was done by Planning Department, Public Health Department and Medical Education and Drugs Department through Haffkine Bio Pharmaceutical Corporation Limited by drawing of regular AC Bills, against which DC Bills were not submitted, leading to huge sums remaining outstanding. PAG(A&E) I, Mumbai mentioned that the matter had been taken up in 2021-22 with Government of Maharashtra by issue of Demi Official letters to Addl Chief Secretary of Finance Department, Planning Department, Public Health Department and Medical Education and Drugs Department. In response the Finance Department in February 2022 had issued orders directing the immediate submission of DC Bills by the DDOs of the three Departments viz Planning Department, Public Health Department and Medical Education and Drugs Department. Copy of the Demi Official letter issued to Addl Chief Secretary of Finance Department and the order issued by Finance Department, had been shared with Pr. AG (Audit-I), Mumbai for review and follow up during performance audit. CAG's Office had been kept informed accordingly.
 - ii) PAG(A&E) I, Mumbai further stated that (as seen from the UORs received in their office) in addition to the funding system through NHM and other Central disbursements, Public Health Department had started taking loans from HUDCO for purposes of funding health infrastructure. (PAG(A&E) I, Mumbai suggested that this borrowing from the public sector lending companies should be looked into during the performance audit and should be linked to the absorptive capacity of the health sector and utilisation of funds in the state.
 - iii) PAG(A&E) I, Mumbai while agreeing with the views of Shri. V. P Raja, Honorary Member, SAAB regarding shortage of Human Resources for Health (HRH), suggested that the (i) clustering of HRH in more centrally located or urban areas and

- (ii) shortage of doctors and medical personnel in the rural hinterland and tribal districts may be looked into during the performance audit as this would shed light on important issues related to availability of health services to the population in those areas/ regions.
14. AG, Goa also added that a basic structure for the health PA has been worked out by the Headquarters and the state surveys are being updated accordingly to facilitate a country wide comparison.
 15. PAG(A&E) I, Mumbai stated that the main objective of performance audit is to constructively promote economical, effective and efficient governance. The Report of Maharashtra will cover both the pre covid period as well as the covid period. The PA would include observations on health financing, the infrastructure built up, the state borrowings, expenditure on drugs equipment, mask etc.
 16. DAG/AMG-I, O/o the Pr. AG (Audit-I), Mumbai proceeded with the PPT and informed the members about the other PAs taken up viz. PA on Implementation of DBT, All India PA on Pre-Matric and Post-Matric Scholarship Schemes and PA on Delivery of Public Services where the information was collected about the SETU Centres and arrangement made at the collector level for issue of birth, death, caste, income certificates etc.
 17. Ms. Shalini Bharat enquired about the main source of data on the All India PA on Pre-Matric and Post-Matric Scholarship Schemes of Government of India for SC, ST and Minorities, as well as the National Social Assistance Programme (NSAP). DAG//AMG-IV, O/o the Pr. AG (Audit-I), Mumbai explained that data for NSAP and Minorities were available on the national portal. For Pre-Matric Scholarship Schemes, there was no online portal available. The field party had to visit the schools and colleges for data collection. For Post-Matric Scholarship Schemes, the state had its own portal.
 18. Pr. AG (Audit-I), Mumbai informed the members that the office was a lead office for PA on Solid Waste Management in Urban Areas and had engaged the service of the external expert from IIT Mumbai for this PA. He also Informed that PA on Efficacy of Implementation of 74th Constitutional Amendment Act is ready for placement in the monsoon session.
 19. DAG/AMG-I, O/o the Pr. AG (Audit-I), Mumbai proceeded with the topics to be covered in the current year (2022-23). Ms Sushama V. Dabak wanted to understand what was “Karmaveer Dadasaheb Gaikwad Sabalikaran Yojana”. DAG//AMG-I, O/o the Pr. AG (Audit-I), Mumbai stated that through the scheme the Government provides land to landless and below poverty line SC and Nav buddhas communities, in order to increase their source of income and change their standard of living so as to reduce their dependence on wages and provide them with a permanent source of income.
 20. Shri V. P. Raja enquired whether the PA on Management of Drinking Water by ULBs covered entire Maharashtra. Pr. AG (Audit-I), Mumbai informed that 25% sample selection will be done. Shri V. P. Raja shared his experiences during his tenure as Secretary of Water supply and sanitation Department. He added that actual field visits are important as they help in identifying the underlying problems. He advised to inspect a few old filtration plants and a few new filtration plants during audit.
 21. This was followed by PPT by AG(Audit) II, Nagpur. It was explained that as per the earlier arrangement, O/o AG(Audit) II, Nagpur was doing audit of Local Bodies, General and Social Sectors, Economic Sector and Revenue Sector which extended geographically to 19 out of 36 administrative districts . Audit of Stamp Duty and Registration and land revenue of Revenue sector, extended to the whole of Maharashtra. Post restructuring O/o AG(Audit) II, Nagpur is doing audit of 14 Departments of Government of Maharashtra falling under

the eight clusters allocated to their office. AG(Audit) II, Nagpur gave the members an overview of the Topics (PA/SSCA) -Annexure B

22. Ms Sushama V. Dabak wanted to know the coverage for Subject Specific Compliance Audit on Swargiya Uttam Rao Patil Bio-diversity park. It was informed that 48% of the parks were planned to be covered in the said Audit.
23. Ms Sushama V. Dabak wanted to know the risk methodology adopted for the Subject Specific Compliance Audit on Delivery of Citizen-Centric Services by Maharashtra Police at Police Stations. AG(Audit) II, Nagpur stated that the risk methodology was almost as was explained by O/o PAG(Audit) I, Mumbai. The financial materiality for this audit had a medium score, however the topic was included in the Audit plan as no audit of Home Department had been done in the past few years. AG(Audit) II, Nagpur informed that 14 citizen centric services have been identified for this Audit.
24. Ms. Shalini Bharat wanted to know the audit criteria for this audit. AG(Audit) II, Nagpur mentioned that the department orders will be the criteria and explained that detailed audit guidelines have been prepared as to how the services are to be delivered. For example what are the services to be extended to senior citizen visiting the police station. Audit recommendations would aim at improving the quality of such services.
25. PAG(A&E) I, Mumbai added that the Subject Specific Compliance Audit on Delivery of Citizen-Centric Services by Maharashtra Police at Police Stations will highlight the compliance of the police personnel's with its own departments orders.
26. This was followed by PPT by AG, Goa. AG, Goa started with a brief about the functioning of Goa office and said that their office was responsible for audit of all State Government departments in Goa which included 16 State PSUs-(14 companies, 2 corporations) and 14 State Autonomous bodies. This was followed by slides on topics taken up in the previous two years and planned during the current year as detailed in Annexure C.
27. AG, Goa while briefing the members about the topics covered in the audit plan 2020-21, mentioned that follow-up audit of Conservation of Coastal Ecosystem was being considered in current year so that audit findings can be updated and brought out in the state report. Responding to a query by PAG(A&E) I, Mumbai, she stated that under the Swadesh darshan scheme, about 15 identified tourist circuits were developed in the country, two of which were in Goa. Goa office was also part of the All India PA on Pre-Matric and Post-Matric Scholarship Schemes of Government of India and All India PA on PM Kisan Sanman Nidhi Yojana, alongwith Maharashtra office. AG, Goa appraised the members of the topics covered during the year 2021-22 and topics planned for 2022-23. She mentioned that District Centric Audit of Local Bodies was also planned to be taken up in 2022-23 in addition to the PA/TA topics.
28. Pr. AG (Audit-I), Mumbai informed the members that District Centric Audit of Local Bodies was also done by Mumbai office where a report is made on the working of all urban local bodies and Panchayat Raj Institution in a district, giving an overview of the district as a whole. The copy of the report is submitted to the Government and the implementing Units.
29. Ms. Shalini Bharat wanted to know how the scholarship schemes were functioning and whether the benefits of the scheme are available for the end users and whether the respective institution had access to these findings.

30. AG, Goa explained that the findings of the audit are shared with the institutions, Directorate and government departments. They can take corrective action to rectify the issues/problems raised in audit. Pr. AG (Audit-I), Mumbai further added that the audit of scholarship scheme was done as per the requirement of the Government of India. The loop holes in the scholarship scheme in Maharashtra pointed out in the report were circulated among others State and action on the recommendations will be ensured.

Pr. AG (Audit-I), Mumbai thanked the members for their valuable suggestions and inputs. He assured the members that the views expressed by them would be useful during conduct of audits.

DAG//AMG-I, O/o the Pr. AG (Audit-I), Mumbai ended the meeting with a vote of thanks.


Dy Accountant General//AMG-I

ANNEXURE A- PAG(A) I, Mumbai

PA topics taken up in the Annual Audit Plan 2021-22

1. Horizontal Performance Audit of Public Health Infrastructure and Management of Health Services
2. All India PA on “Ayushman Bharat-PMJAY (Pradhan Mantri Jan Aarogya Yojana)”
3. State PA on Implementation of Direct Benefit Transfer in Scholarship Schemes in Department of VJNT, OBC & SBC Welfare in Maharashtra
4. All India PA on Pre-Matric and Post-Matric Scholarship Schemes of Government of India for SC, ST and Minorities, as well as the National Social Assistance Programme (NSAP)
5. State PA on Delivery of Public Services by Government of Maharashtra (carried forward from AAP 2020-21)
6. Cross cutting PA on Waste Management in Urban Areas
7. Cross cutting PA on Efficacy of Implementation of 74th Constitutional Amendment Act
8. All India PA on PM Kisan Sanman Nidhi Yojana (carried forward from AAP 2020-21)
9. Thematic Audit on Rashtriya Uchchar Shiksha Abhiyan (RUSA)

PA topics planned to be taken up in the Annual Audit Plan 2022-23

1. Performance Audit on Management of Drinking Water by ULBs
2. Thematic Audit on implementation of the Maharashtra (Urban Areas) Protection and Preservation of Trees Act 1975
3. Thematic Audit on Repair and Reconstruction activity of Cess building by MBRRB of MHADA
4. Horizontal cross cutting Performance Audit on Labour Cess
5. Thematic Audit on Karmaveer Dadasaheb Gaikwad Sabalikaran Yojana

ANNEXURE B- AG(A) II, Nagpur

PA topics taken up in the Annual Audit Plan 2020-21:

Performance Audits:

1. Deen Dayal Upadhyay Gram Jyoti Yojna and Pradhan Mantri Har Ghar Yojna (SAUBHAGYA) as part of 24*7 Electricity for all.
2. Performance of Discoms: pre and post UDAY.
3. Conservation of Eco-Marine System

Subject Specific Compliance Audits:

1. Swargiya Uttam Rao Patil Bio-diversity park.
2. Building and Road Deposit Works under PWD, Maharashtra.

PA topics taken up in the Annual Audit Plan 2021-22:

Performance Audits

1. Maharashtra Industrial Development Corporation. (Rolled over from 2019-20)
2. Performance Audit of Conservation of Eco-Marine System.
3. Follow-up of E-ticketing system in MSRTC.

Subject Specific Compliance Audits

1. Internal Control in Collection of Stamp Duty (Rolled over to 2022-23).
2. GST Transitional Credit.
3. GST Refunds.
4. GST- Oversight on GST payment and return filing (Rolled over to 2022-23)

PA topics planned in the Annual Audit Plan 2022-23:

Performance Audits:

1. Implementation of Integrated Power Development Scheme (IPDS) by MSEDCL in Maharashtra.
2. Role of Maharashtra Pollution Control Board in Prevention and Control of Water Pollution in Maharashtra.

Subject Specific Compliance Audits:

1. Hiring of Shivshahi Buses by MSRTC.
2. Land Allotment in MIHAN SEZ by MADC.
3. Functioning of Maharashtra State Excise Department.
4. Working of Forest Development Corporation of Maharashtra Limited.
5. Delivery of Citizen-Centric Services by Maharashtra Police at Police Stations.

ANNEXURE C - AG, Goa

PA topics -Annual Audit Plan 2020-21

1. Levy and collection of State Excise Revenue
2. Outcome of Salaulim Irrigation Project
3. Outcome of School Education
4. Deen Dayal Upadhyay Gram Jyoti Yojana
5. Ujjwal Discom Assurance Yojana
6. Conservation of Coastal Ecosystem

PA & SSCA topics- Annual Audit Plan 2021-22

1. Implementation of 73rd and 74th Constitutional Amendment Acts in Goa
2. Information Technology (IT) Audit of Implementation of VAHAN 4.0 and SARATHI 4.0 in Goa
3. PM Kisan Samman Nidhi Yojana (All India Review)
4. Swadesh Darshan Scheme (All India Review)
5. Pre & Post-Matric Scholarship Schemes for SCs/STs/Minorities and National Social Assistance Programme (NSAP) (All India review)
6. Public Health Infrastructure and Management of Health Services
7. Refunds of GST (SSCA)
8. Transitional Credits of GST (SSCA)

PA & SSCA topics-Annual Audit Plan 2022-23

1. Forest and Wildlife Management
2. Labour Cess (All India Review)
3. Public Health Infrastructure and Management of Health Services (Rolled Over topic)
4. Pre & Post-Matric Scholarship Schemes for SCs/STs/Minorities and National Social Assistance Programme (NSAP) (Rolled Over topic)
5. Department's oversight on GST payments and return filing (SSCA)
6. District Centric Audit of Local Bodies