

**OFFICE OF THE ACCOUNTANT GENERAL
(GENERAL & SOCIAL SECTOR AUDIT)
MADHYA PRADESH, GWALIOR**

No. /OAD (M)/SAAB/Minutes/O-O/40

Dated: 03-02-2020

Minutes of meeting of Madhya Pradesh State Audit Advisory Board

Meeting of Madhya Pradesh State Audit Advisory Board was convened on 16.01.2020 at 11.30 A.M. under the Chairmanship of Shri D. Sahu, Accountant General (General & Social Sector Audit), Madhya Pradesh, Gwalior in the Conference hall of Office of the Accountant General (General & Social Sector Audit), Madhya Pradesh, Gwalior. Following members were present in the meeting: -

Honorary External Members (S/Shri)			Ex-officio members (S/Shri)	
1	Prof. Sangeeta Shukla	Vice Chancellor, Jiwaji University, Gwalior	1	D. Sahu Accountant General (General & Social Sector Audit), M. P, Gwalior.
2	Prof. R.K. Srivastava	Professor (Civil Engineering and Applied Mechanics) SGSITS, Indore.	2	Jitendra Tiwari Dy. Accountant General/ Administration & General Sector
3	Ms. Nishi Misra	Principal, Scindia Kanya Vidhyalaya, Gwalior	3	Dr. Mohammad Fazal Suhail Dy. Accountant General/Social Sector- I & III
4	Rajeev Kumar Dubey	Chartered Accountant, Kailash Chand Jain & Co., Indore	4	J.N. Perumal Dy. Accountant General/Social Sector- II
5	Sanjay Singh	National Convener, Jal-Jan Jodo Abhiyan	5	Mehul Grover Dy. Accountant General/Revenue Sector

At the outset Accountant General welcomed all the members of the Board and briefed about the institution of CAG and its functioning and Shri Jitendra Tiwari, Dy. Accountant General, introduced the ex-officio members to the members of the Board.

Accountant General informed the members to achieve better audit outcome, focus area based audit and outcome audit are being taken up from this year onwards. To provide comprehensive insight into the working of the department and better policy decision Focus Area based approach is being undertaken. We have adopted focus area based approach from this year. In this approach, critical areas of state government departments are being identified and during the course of audit of the concerned auditee,

focus will be on the identified critical area so that complete picture could be presented before State Government and corrective action could be taken. It was also informed that audit of 70 per cent of MP Government expenditure is done by this office and audit of 30 per cent of MP Government expenditure and 100 per cent revenue collection is covered by Bhopal office.

After the welcome speech, a Power-Point Presentation on the functioning of the office, status of reports and rationale for selection of the topics for PA/TA included in the Audit Plan 2020-21, was made before the members of Board. Accountant General (G&SSA) requested the members to suggest/comment on issues, if any, which would make audit more effective.

Gist of discussion held and suggestions given by external members of the Board on the PA/TA topics selected by this office are as under: -

1. PA on Solid Waste Management

- DAG/SS-I stated that Bhopal Municipal Corporation and Indore Municipal Corporation have been selected for Performance Audit on Solid Waste Management as it affects every section of society and Bhopal and Indore are the most waste generating cities.
- Professor R.K. Srivastava added that solid waste is being treated through landfills, which is not appropriate as in our country; there is shortage of land. Therefore, focus of treating solid waste should be to generate electricity and avoid shifting the waste. Government should come up with policy on the above lines. Landfill should be stopped and the solid waste should be disposed at the source. He also added that we should focus on reduce, reuse and recycle pattern.
- Ms. Nishi Misra said that availability of resources for the disposal of waste is an issue. Bio digesters should be provided to the households as were as in schools. She added that technology is available but the people are not aware of it.
- Accountant General said that in Sweden, 99% of the Solid Waste is converted into electrical energy and they are buying solid waste from other countries. In India, we are still trying to transport the waste to the ground instead of preparing manure or converting into energy. Big institutions should convert the solid waste into energy

without wasting money on transportation. Creating energy from the solid waste is not done.

2. TA on Water Supply Management

- Shri Sanjay Singh appreciated the work done on water by M.P. and also said that this issue is required to be examined in other Nagar Nigams also. He also suggested that water supply and consumption in private hotels and hospitals should also be examined. AG informed that this year we are covering major Nagar Nigams like Gwalior and Jabalpur.
- Professor R.K. Srivastava stated that a lot is required to be done on water issues. We have to see whether assets created are properly functioning or not and what is the monitoring mechanism to ascertain that. Issues like who initiated the proposal for infrastructure development and engagement of subject experts for preparation of design should also be covered. He further added that supply sources of Indore and Bhopal are different from Gwalior and Jabalpur therefore, findings would also be different with respect to quality parameters because quality issues are less where water is supplied through surface water. We can test the quality of water using the quality kit on the spot. Prof. Srivastava also suggested that during the audit, congestion in water pipelines and life of the pipelines needs to be looked into. AG requested that being a subject expert, services of honourable members will be availed right from the beginning at the time of preparing guidelines on the topic.
- Professor Sangeeta Shukla stated that the findings that came into notice in the case of two districts of last year that were taken up for Water Supply Management may be examined in the new districts selected for this year. DAG/SS-I assured that the earlier issues would be examined and in addition to that, new issues noticed would also be examined.

3. PA on Creation of Infrastructure in Government Departments by MP Housing & Infrastructure Development Board

- AG stated that our aim is to highlight how the Board's functioning affect the various works/activities of the user departments.

4. TA on Ladli Laxmi Yojana

- Professor Srivastava suggested that while conducting the audit, process for selection of eligible beneficiaries should be examined at grass root level. Other such schemes may also be clubbed with this scheme, if possible.

5. TA on Implementation of Dial 100 System in the State of Madhya Pradesh

- Speaking about the TA on Implementation of Dial 100 system in M.P. AG explained that crime rate in MP is higher than those of neighbouring states while availability of police force is lower. We would be working on the concept of “sense, reach and secure”.

6. IT Audit on Integrated Financial Management Information System (IFMIS)

- Shri Rajeev Dubey suggested that issue of migration of the department from the old system to the new system should be examined. Subject experts may also be engaged for such type of audit.

7. Other issues


- Shri Rajeev Dubey pointed out that in order to receive Grant-in-aid from the Government of India for efficient performing Gram Panchayats (levy and collection of taxes), PRIs are showing fictitious revenue without proper records. No record of tax collection in respect of individual tax payer was available. Biggest issue was that income shown to be collected by them was never deposited in the bank accounts. Another issue he suggested was that shops constructed by Urban Local Bodies are running on very less rental value because rental value once fixed has never been revised.
- Shri Rajeev Dubey also suggested that “Janani Suraksha Yojana” may also be selected for audit. In this scheme, large fund is involved and beneficiaries are selected without due cross check as payment is made by National Health Mission while beneficiary selection is done by other department.
- Prof. Sangeeta Shukla also pointed out that shortage of manpower in Universities is a big issue despite regular correspondence with Higher Education Department for recruitments. Critically focused recommendations should be given by the audit on shortage of teachers in colleges and Universities. Shortage of manpower should also be highlighted in the reports.

After the presentation of this office, a presentation on the topics selected for PA/TA by the office of Accountant General (Economic & Revenue Sector Audit) Bhopal was made by Shri Mehul Grover, DAG/Revenue sector. He explained about the rationale for selection of PA on Construction of Major Bridges by Public Works Department and TA on Analysis on losses incurred by the Power Distribution Companies in M.P. Shri Srivastava informed that line loss shown by the Power Distribution Companies are much higher than actual reported.

After the presentation, Accountant General informed that the concept of 360-degree analysis is now being implemented. We are following the concept of Reasons, Responsibility and Impact while framing Audit Reports. We are trying to pin point the responsible person so that Public Account Committee could give its recommendations which could be acted upon.

At the end, Accountant General thanked all the members of the Board for their valuable suggestions and requested them to feel free to give their suggestions any time after the meeting. He thanked all the External Members for sparing their valuable time for the meeting and for their suggestions and valuable inputs, which would be helpful in strengthening the audit process. All members suggested that the Board should meet every quarter instead of twice in a year. AG agreed to take up the issue with Headquarters' office for necessary action.

(This issues with the approval of Accountant General)


**Dy. Accountant General/SS-II &
Member Secretary cum convener
(SAAB)**