ANNUAL REPORT
2024-25

SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

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Supreme Audit Institution of India



From the desk of Comptroller and Auditor General of India

I am pleased to present the Annual Report of the Supreme Audit Institution of India (SAI India) for the year 2024-25. The report outlines our key achievements during the year and highlights our major activities in domestic and international arenas.

SAI India derives its authority and mandate from the Constitution of India and its laws. The Comptroller and Auditor General of India holds a unique role in the federal structure of our country, being entrusted with the audit of the Union and State Governments as well as being responsible for compilation of accounts of most Governments. Our Audit Reports are presented before the Parliament and the State Legislatures and serve as important instruments to enforce accountability of the Governments to the Legislatures.

We continued to make significant progress in attaining our core mandate. We finalised 156 Audit Reports during 2024-25, of which 19 were for tabling in Parliament and 137 in State Legislatures. We compiled and certified Finance and Appropriation Accounts of all the 28 States for 2023-24 by March 2025.

We continued to take strides in our infrastructure initiatives, as we advanced to fulfil our objective of complete digitisation of auditing systems. The audit processes have been fully digitised with the deployment of the One IAAD One System (OIOS) Application -an end-to-end Audit Process and Knowledge Management System. We are proud to note that SAI India is among the pioneering government entities to adopt such innovative technologies. Twenty four State A&E offices have also

been on-boarded into the OIOS along with 81 main and 49 branch Audit Offices. Currently 137 field offices are using e-Office - a digital workplace solution of NIC, for the daily official work of the organisation to varying degrees and more than 37,000 users have been created. Implementation of e-HRMS 2.0 has been completed across all offices under the SAI India.

We signed MoU with IIT Madras for using IT in audit and Capacity Building and devised a nine month online Diploma Course on "AI, Data Science and Cybersecurity Audit". Training of the first batch of 103 officials consisting of IA&AS officers and SAOs/ AAOs has already commenced. We have identified seven other projects which will be executed in collaboration with IIT Madras to develop guidance and frameworks on various IT related aspects like Cybersecurity audit, Data Governance policy etc.

Strengthening the audit of *Panchayati Raj* Institutions and Urban Local Bodies, which constitute the last tier of governance at the grassroots level, continued to receive high priority. One hundred and ninety one candidates in two batches qualified the 'Course for Certified Panchayat/Municipal Accountants' which was developed and launched in collaboration with the Institute of Chartered Accountants of India (ICAI). These persons are now certified to discharge accounting functions in Local Governments which would address the shortage of local auditors for Panchayats to a great extent. The International Training Centre for Audit of Local Governance (iCAL) at Rajkot, inaugurated in July 2024, started imparting training to District Local Fund Auditors, our employees as also students of Universities on various issues concerning the last tier of governance.

SAI India commemorated the fourth *Audit Diwas* – a day marking the establishment of the CAG of India, on 16 November 2024. As part of our outreach activities, we organised the National Essay Writing Competition (in English & Hindi) on a selected contemporary topic conducted for the third time for university students in India. We also organised the first-ever quiz competition for college students in the Delhi NCR region. The objective of engaging our young citizens was to improve their understanding of governance and public accountability paradigm and to provide us with insights into their expectations from the institution of the CAG. The winners were awarded cash prizes on *Audit Diwas*.

SAI India is a people driven organisation and our personnel are our assets. In order to recognise and reward the extraordinary and innovative work done by the officers and staff of the organisation, the CAG's Awards for Innovation and Excellence in Public Auditing and Accounting were instituted in 2021. During its fourth edition in 2024, awards were presented to six teams selected from our offices across the country. The awards recognised projects that demonstrated out-of-the-box thinking and a passion to achieve high quality and streamline our systems. Recognising that in addition to individual excellence, from an organisational perspective, it is also important to nurture all round qualitative improvement, awards for the 'Office of the Year' were presented to four offices that showed the best performance on defined criteria in the spheres of Accounting, Auditing and Knowledge & Capacity Building.

Our achievements are a result of the dedicated efforts of our employees. We are conscious of the need for continuous professional development of our people. Our Capacity Building & Knowledge Institutes provide quality training to our employees across diverse domains to build their expertise and equip them with technical skills necessary for their work. Our International Training Centres at Noida, Jaipur and Rajkot offer world class facilities and training in Information Technology, environment and local governance areas respectively for international and national participants. We have identified courses on iGOT and SWAYAM platforms which are useful for our organisation. To streamline the flow of knowledge in SAI India and timely updating of CAG's knowledge resources, we initiated the development of a Centralised Knowledge Repository for SAI India.

In the international domain, we continued as active participants in events organised by the INTOSAI (International Organisation of Supreme Audit Institutions) and ASOSAI (Asian Organisation of Supreme Audit Institutions). The SAI India hosted the 16th ASOSAI Assembly in September 2024 at New Delhi. Her Excellency, the Hon'ble President of India, Smt. Droupadi Murmu who was the Chief Guest in the Opening Ceremony, underscored the vital role played by the SAIs in national governance. The adoption of the New Delhi Declaration and the transition of ASOSAI Chairmanship to SAI India mark significant milestones, setting a robust foundation for ASOSAI's continued contributions to enhance public sector auditing and fostering regional progress under the leadership of SAI India for the term 2024-2027. During the year, five bodies of the United Nations were under our audit jurisdiction namely, the Food and Agriculture Organisation, the World Health Organisation, the Organisation for the Prohibition of Chemical Weapons, the International Atomic Energy Agency and the International Labour Organisation.

SAI India has always accorded great importance to partnerships with other SAIs, to promote sharing of knowledge and experiences for improved professional practices in public sector audit. During 2024-25, we signed five new Memorandums of Understanding (MoUs) with SAIs of Bahrain, Saudi Arabia, Seychelles, United Arab Emirates and Uzbekistan. Our bilateral ties with these SAIs not only strengthen our relations with these countries but also serve to enhance mutual cooperation for the development of an improved audit quality regime.

We continued to adapt to the changing ecosystem of governance at various levels through implementation of the Strategic Plan for the period 2023-2030. Strategy Managers in respect of each of the 10 Strategies are entrusted with putting in place a framework for monitoring the implementation of the strategies. A Strategic Plan Monitoring Committee holistically monitors the progress of implementation of the Strategic Plan. Successful implementation of the Strategic Plan will aid us in fulfilling our organisational objectives of providing assurance through high quality auditing, promoting accountability and good governance and offering astute insights to the government.

We took an initiative for preparing the Strategic Audit Plan of SAI India for the period 2026-30. The finalisation of the Strategic Audit Plan is underway.

We also interacted with the 16th Finance Commission wherein a number of issues relating to Union and State finances, Local Bodies, Central and State Public Sector Undertakings were discussed and the view of CAG on broader fiscal federal issues were articulated.

I hope this Annual Report would help our stakeholders, including legislators, executives, academia and members of the public, to get a good insight into our work and to appreciate our efforts towards promoting transparency, accountability and good governance.



(K. Sanjay Murthy)
Comptroller & Auditor General of India

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PREFACE

About this Annual Report

The Constitution of India and laws enacted by the Parliament of India have entrusted the Comptroller and Auditor General of India (CAG) with multifarious responsibilities in the spheres of auditing and accounting. Compiling accounts of Governments of most of the States and conducting audit of activities of the Union & State Governments and their organisations are the major statutory responsibilities of the CAG of India. Besides, the CAG renders advice to the executive in matters relating to accounting standards & policies and the form of financial statements and also performs entitlement functions for some States.

The CAG and the Indian Audit & Accounts Department constitute the Supreme Audit Institution (SAI) of India, together having an obligation to promote financial accountability and transparency in the affairs of the Government.

This report is being presented in fulfilment of the accountability requirements of SAI India. It gives an account of our activities and achievements during the year 2024-25, as also the regularity and efficiency in the use of our resources and the impact of our work.

Our objective is to create awareness and understanding about SAI India. We also seek to inform our clients and stakeholders about our key results and achievements and showcase some of our exceptional work, towards better appreciation of the contribution of the CAG in promoting public accountability and good governance.

KEY FACTS

156

Audit Reports approved

₹ 2,599.03 crore

Money recovered based on Audit observations

95.90 *per cent*

Prompt redressal of grievances received from pensioners/ PF subscribers

8,701
Accounts examined

39,570
Units covered under compliance audit (96.07 *per cent* of planned units)

25,502
Inspection Reports issued

2,706
Audit recommendations made in approved Audit Reports

3,010
Action Taken Notes to Audit Reports vetted

1,943
Treasuries inspected

1,90,437
General Provident Fund (GPF) final payment cases finalised within prescribed time (96.19 *per cent*)

4,79,288
Original and Revision Pension cases settled (93.37 *per cent* of cases received)

2,158
Training courses conducted at Regional Knowledge & Capacity Building Institutes/ Centres and in-house

47,000
Participants in above training courses

5
International multilateral organisations Audited during the year Food and Agriculture Organisation (2020-2025), World Health Organisation (2024-2027), Organisation for Prohibition of Chemical Weapons (2024-2026) and International Atomic Energy Agency (2022-2027)

5
New Memorandums of Understanding signed with other Supreme Audit Institutions during 2024-25



Statue of Father of the Nation Mahatma Gandhi in the CAG office premises

Section 1

SAI India: Mandate and Structure

Chapter 1
Milestones in the evolution of the Supreme Audit Institution of India

Chapter 2
Mandate of SAI India

Chapter 3
Organisation of SAI India

Chapter 4
Capacity Building Infrastructure

Chapter 5
How we manage our resources

CHAPTER-1

Milestones in the evolution of the Supreme Audit Institution of India

1.1 Our legacy

The Supreme Audit Institution (SAI) of India is one of the oldest institutions of India. The role of the Comptroller and Auditor General of India (CAG) has evolved through legislation and practice. Just prior to the First War of Independence in 1857, a major administrative reorganisation was initiated by the then Governor General of India, Lord Canning. This led to the setting up of, for the first time, a separate department with an Accountant General at the helm in May 1858. He was responsible for accounting and auditing of the financial transactions of the East India Company.

After 1857, the British Crown took over the administration of India and passed the Government of India Act, 1858. This Act introduced the system of an annual budget of Imperial Income and Expenditure in 1860. The budget system laid the foundation for Imperial Audit. Sir Edward Drummond took charge on 16 November 1860 as the first Auditor General.

The designation "Comptroller and Auditor General of India" was first used in 1884. Under the Montagu- Chelmsford Reforms of 1919, the Auditor General became independent of the Government. The Government of India Act, 1935 strengthened the position of the Auditor General by providing for Provincial Auditors General in a federal set-up. Till 1947, when the last British Auditor General, Sir Bertie Monro Staig, handed over the reins, the department remained an integral part of the British administration and provided unified accounting and auditing arrangements for the whole of British India.

Post-Independence, these arrangements continued till the adoption of the Constitution of India in 1950, which created the institution of the Comptroller and Auditor General of India. Shri V. Narahari Rao became the first Comptroller and Auditor General of independent India. The passing of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act by the Parliament in 1971 further strengthened the position of SAI India as an independent constitutional authority with overarching responsibility for oversight over public expenditure.

Dr. B. R. Ambedkar, Chairman of the Drafting Committee of the Constitution, in his speech in the Constituent Assembly, said

"I am of the 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."

1.2 Important milestones in the evolution of SAI India

Appointment | Law | Organisation | Audit | International | Award

Pre-Independence

1858 — A separate department under an Accountant General responsible for accounting and auditing financial transactions of East India Company was created

1860 — The first Auditor General of India Under the British crown was appointed

1866 — The Auditor General of India was designated as "Comptroller General of Accounts"

1884 — The Comptroller General of Accounts was re-designated as the Comptroller and Auditor General (CAG) of India with responsibilities for both audit and accounts

1919 — The Government of India Act, 1919 gave statutory recognition to the CAG as the final audit authority in India and was designated as Auditor General in India

1921 — Auditor General's Rules 1921, made specific provision for audit of receipts

1924 — Audit of Customs revenue was entrusted to the Auditor General

1925 — The Commercial Audit branch was set up in the Indian Audit Department

1935 — The Government of India Act, 1935, strengthened the CAG's independence and status by providing for

(i) Appointment of the CAG by the King of England,

(ii) Removal of the CAG from office in like manner and on the like grounds as a judge of the Federal Court and

(iii) Debarring the CAG from holding any office under the Crown in India on vacating the office. The post of Auditor General was designated as Auditor General of India

1936 — Government of India (Audit and Accounts) Order, 1936 ,was issued detailing the auditing and accounting functions of the CAG

1938 — The Audit Code was updated, superseding earlier rules and instructions issued in 1921

Appointment | Law | Organisation | Audit | International | Award

Pre-Independence

1947 — The Government of India (Audit and Accounts Order), 1936, was adopted by the Indian Provisional Constitution Order ,1947

1948 — Shri V. Narahari Rao, then Secretary to the Government of India, Finance Department, was appointed as the first Indian Auditor General of the free Dominion of India on 15 August 1948

1950 — The Constitution of India provided for the Comptroller and Auditor General of India, entrusted with the accounting and auditing functions of the Union Government and the State Governments, including the centrally administered areas/ Union Territories

1953 — The Comptroller and Auditor General (Conditions of Service) Act, 1953 was promulgated

1956 — The Indian Companies Act, 1956, gave legal status to Government companies and provided for supplementary audit by the CAG, who also advised the Government on appointment of auditors to companies

1960 — A Memorandum of Understanding for audit of income tax receipts and refunds was agreed with the Government of India

1962 — In supersession of the Audit Code, a Manual of Standing Orders (Technical) in two volumes was issued

1971 — The CAG's DPC (Duties, Powers & Conditions of Service) Act, 1971, was passed under the Constitution to regulate the duties, powers and conditions of service of the CAG

1976 — The CAG's DPC (Duties, Powers & Conditions of Service) Act, 1971 was amended to relieve the CAG of the duties and functions relating to maintenance of accounts of the Government of India

1984 — The composite Accountants General offices were bifurcated into two distinct offices with separate cadres i.e., Accountant General (Audit) to deal with all audit work and Accountant General (A&E) to deal with all accounting and entitlement functions

1991 — The Manual of Standing Orders (Technical) was revised and updated with the changed name as Manual of Standing Orders (Audit)

1993 — The CAG became Member of the United Nations Board of Auditors for 1993-1999

1994 — The first Auditing Standards were issued detailing the basic principles and practices which the Auditors should follow

1996 — The CAG became the External Auditor of the International Centre for Genetic Engineering and Biotechnology for 1996-2004

Appointment | Law | Organisation | Audit | International | Award

Pre-Independence

1997 — The CAG became External Auditor of Organisation for Prohibition of Chemical Weapons for 1997-2003

1998 — SAI India was conferred the Jorg Kandutsch Award by the Congress of INTOSAI (INCOSAI) in recognition of important achievements and contributions made in the field of Government Audit by SAI India

1999 — The CAG constituted an Audit Advisory Board

Voucher Level Computerisation was introduced

2000 — The CAG became the External Auditor of the International Maritime Organisation for 2000-2012 and the UN World Tourism Organisation for 2000-2015

2002 — The Government Accounting Standards Advisory Board (GASAB) was set up with the support of the Government of India to establish and improve standards of Government accounting and financial reporting including enhancing accountability mechanism

2002 — The Manual of Standing Orders (Audit) was revised and updated

2002 — The revised CAG's Auditing Standards were issued which suitably adopted restructured auditing standards issued by INTOSAI in 2001

2012 — The CAG became the External Auditor of the International Atomic Energy Agency (IAEA) for 2012-2016 and World Intellectual Property Organization (WIPO) for 2012-2017

2012 — Restructuring of Audit offices was implemented to introduce sectoral orientation in audit

2010 — The CAG became the External Auditor of the World Food Programme and International Organization for Migration for 2010-2016

2007 — Regulations on Audit and Accounts, 2007 were issued by the CAG using its powers to frame rules and regulations under the CAG's DPC Act

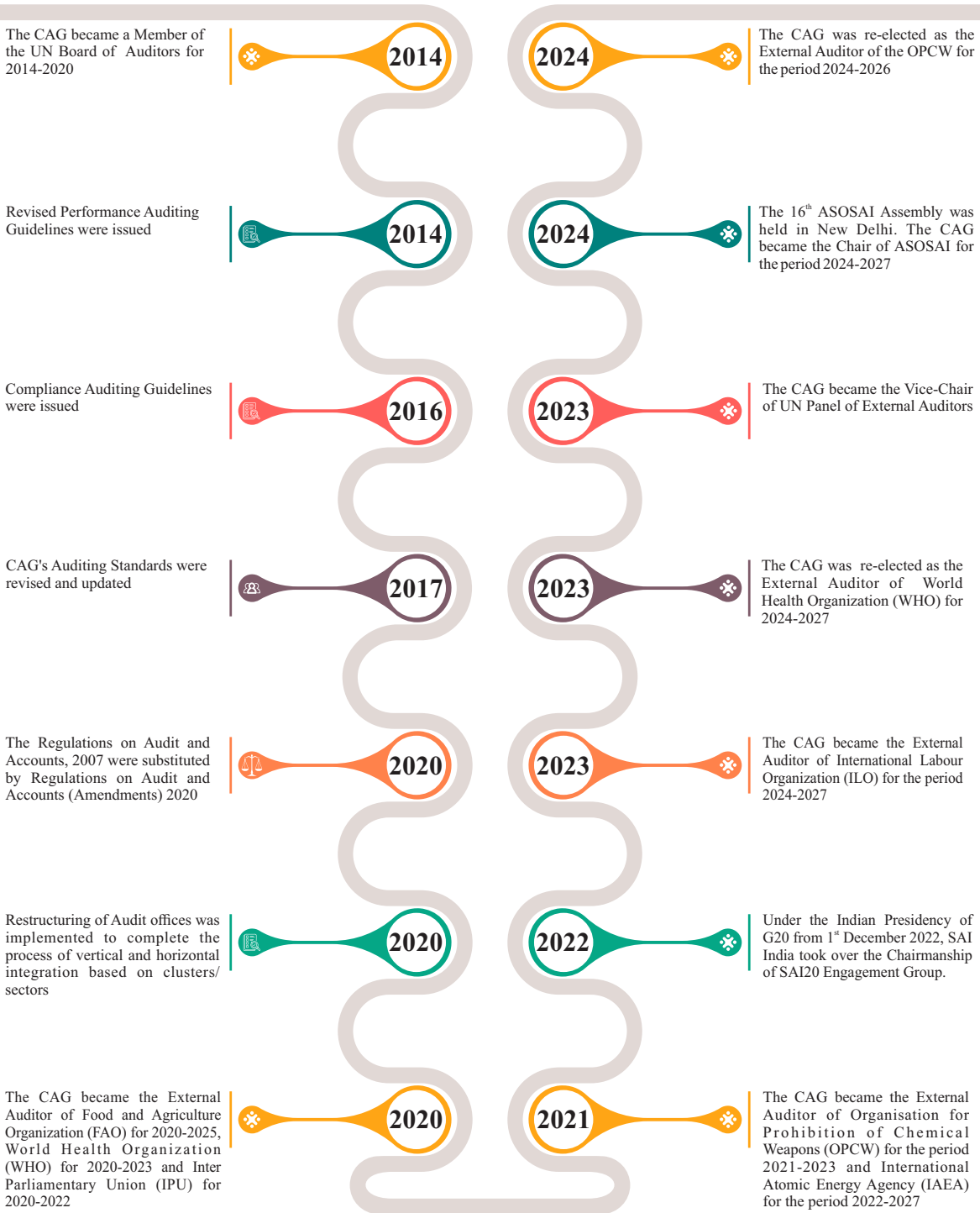
2004 — The CAG became the External Auditor of World Health Organisation for 2004-2012

2004 — Performance Auditing Guidelines were issued which helped the SAI India to adopt the prevalent international standards of performance auditing

2002 — The CAG became the External Auditor of the Food and Agriculture Organisation for 2002-2008

Appointment | Law | Organisation | Audit | International | Award

Pre-Independence



CHAPTER-2

Mandate of SAI India

2.1 About SAI India

The Comptroller & Auditor General of India (CAG) and the Indian Audit and Accounts Department (IA&AD), functioning under him, together comprise the Supreme Audit Institution of India (SAI India), which is a unified audit mechanism in the federal setup under the Constitution of India. Within the Constitutional framework of checks and balances in a Parliamentary democracy, this mechanism is designed to ensure accountability of the executive to the legislature. Audit is an indispensable part of a regulatory system, aimed at ascertaining compliance with the accepted standards of prudent management of public finances. Senior functionaries of SAI India, representing the CAG in the States, are called Principal Accountants General/Accountants General.

The Parliament/State Legislatures approve the annual budgets, as well as supplementary appropriations and authorise the Government to collect taxes. There are financial rules to ensure standards of propriety, regularity and probity in managing public funds. Government Departments and other public bodies are expected to follow these rules and adhere to the framework prescribed therein, when they receive and spend public money. The spending Departments are accountable to the Parliament and State Legislatures for both the quantity as well as the quality of expenditure incurred by them.

Articles 148 to 151 of the Constitution of India prescribe a unique role for the CAG in assisting the Parliament in enforcing the legislative accountability of the Government Departments. The CAG audits the accounts of both the Union and the State Governments, and also compiles the accounts of the State Governments.

The CAG's role is significant in a federal multiparty democracy, wherein both the Union and State Governments are responsible for the formulation and implementation of a large number of schemes involving substantial public resources. There has also been sustained emphasis on growth, inclusive welfare, promotion of technology-enabled development, energy transition and climate action. In response, SAI India is also continuously engaged in re-examining and evolving its processes, infrastructure and capacities to ensure that the CAG's mandate is effectively discharged in the emerging governance models and information technology driven platforms.

Proper accounting and auditing of *Panchayati Raj* Institutions (PRIs) have been an area of concern for successive Central Finance Commissions. Accordingly, we have taken proactive measures for augmenting capacity building of Local Fund Auditors/Examiners of Local Funds and providing support to State organisations while also engaging with stakeholders in an effort to enhance good governance at the grass root level.

2.2 Our Vision, Mission and Core Values



VISION

(Our vision represents what we aspire to become)

Continue to provide independent and credible assurance on public resources and be a global leader in public sector auditing.

MISSION

(Our mission enunciates our current role and describes what we are doing today)

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent and timely assurance to the Legislature, the Public and the Executive, that public funds are being collected and used effectively and efficiently.





CORE VALUES

(Our core values are the fundamental beliefs that guide our institution and our people)

Institutional Values: Maintaining professional standards, objective and balanced approach, independence and transparency.

People Values: Ethical behaviour, integrity, professional competence, fairness and social awareness.

2.3 Independence of SAI India

The Constitution of India provides for independence of the CAG from the executive branch of the Government of India and the States. Articles 149 and 150 provide for the duties and powers of the CAG. Article 151 prescribes that audit reports relating to the Union and the State Governments are to be submitted to the President of India/ Governor of the State, to be placed before the Parliament or State Legislatures. The CAG is an independent Constitutional authority who is neither part of the Executive, nor of the Legislature.

The Constitution enables independent and unbiased audit by the CAG by providing for:

- Appointment of the CAG by the President of India;
- Special procedure for removal of the CAG, as applicable to a judge of the Supreme Court;
- Salary and expenses of the CAG not being subject to vote of Parliament; and
- Making the CAG ineligible to hold any other Government office after completion of the term.

The Constitution further provides that the conditions of service of persons serving in SAI India and the administrative powers of the CAG shall be such as may be prescribed by rules made by the President, after consultation with the CAG.

Speech of Dr. Rajendra Prasad, the first President of India, on 21 July 1954

'The CAG has the power to call to account any officer, however highly placed, so far as the State moneys are concerned. Hence he should be provided with all the necessary facilities to enable it to function in a way calculated to ensure the discharge of the duties allocated to it in the best possible manner'

2.4 Our Accounts Mandate

The CAG's (Duties, Powers and Conditions of Service) Act, 1971[1] (CAG's DPC Act, 1971), promulgated in exercise of powers conferred by the Constitution of India, provides for compilation of accounts of the State governments by the CAG. Besides compiling the accounts, the CAG is responsible for preparing and submitting the accounts to the President, Governors of States and Administrators of Union Territories (UTs) having Legislative Assemblies. He may also give information and render assistance, related to preparation of the accounts. The CAG compiles accounts of the State Governments from the subsidiary accounts submitted by treasuries and other officers of the State Governments. The CAG reports instances where public funds are drawn in excess

[1] *Sections 10, 11, & 12 of the CAG's DPC Act 1971*

of authorisation, highlighting such irregularities in its audit findings. The CAG also actively monitors expenditure patterns and provides advice and reports on excesses, surrenders and lapses of funds.

The Union Government is authorised, after consultation with the CAG, to frame rules, for maintenance of accounts by the Union and State Government Departments, including the manner in which initial and subsidiary accounts are to be kept by the treasuries, offices and departments rendering accounts to audit and accounts offices.

2.5 Our Audit Mandate

2.5.1 CAG's DPC Act, 1971

The audit mandate of the CAG is defined in the CAG's DPC Act, 1971 and certain other laws enacted by the Parliament. The CAG has the mandate to audit and report upon:

- All receipts payable into and expenditure from the Consolidated Fund of the Union and the State Governments;
- All financial transactions in emergencies, outside the normal budget (called the Contingency Fund);
- Inflows and outflows of private monies of the public held by the Government as a trustee or banker (called Public Accounts), at the Central, as well as at the State levels;
- All trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts kept in any Government Department;
- All stores and stock accounts of all Government offices and Departments;
- Accounts of all Government companies and any other company as defined in the Companies Act 2013;
- Accounts of all Regulatory Bodies and other statutory authorities/corporations, where the governing laws provide for their audit by the CAG;
- Accounts of all autonomous bodies and authorities substantially financed by the public exchequer;
- Accounts of a body or authority whose audit is specifically entrusted to the CAG, in public interest, by the President/ Governor /Lt. Governor, under enabling provisions of the CAG's DPC Act, 1971.

The following special responsibilities have also been entrusted to the CAG:

- On the recommendations of successive Central Finance Commissions, the States have entrusted the CAG, as per provisions of the CAG's DPC Act, with the role of providing Technical Guidance and Support (TGS) to the Local Fund Audit Wings of State Governments, who are the Primary Auditors of Local Governments. The components of TGS include, inter alia, support and handholding of Primary Auditors for setting of auditing standards, audit planning, adoption of improved audit methodologies and capacity building. In addition, utilisation of funds received as grants-in-aid from Central/State Governments and implementation of Central/ State Schemes by Local Bodies (LBs) is also audited. Further, all receipts and expenditure of those LBs are

audited which are either substantially financed from the Consolidated Fund of India/ States or where such audit has been entrusted by the State Governments.

- Conducting a review of the performance of the Union Government in meeting its obligations under the Fiscal Responsibility and Budget Management Act.
- Certifying the net proceeds of Central taxes/duties, which are shareable with the States.

2.5.2 Mandate through judicial pronouncement

The CAG has the authority to audit the accounts of even a private company, not normally within the audit mandate of the CAG, if the company has been allowed the commercial use of scarce natural resources under the terms of a license, which require the company to share a part of the revenue so generated with the government. This authority was upheld by the Hon'ble Supreme Court of India in its judgment dated 17 April 2014 pertaining to the companies providing telecom services.

2.6 Our Powers

2.6.1 Powers to Audit

In carrying out the above mentioned duties, the CAG has powers[2] to:

- Inspect any office or organisation subject to his audit;
- Call for any records, papers and documents from any audited entity;
- Decide the extent and manner of audit;
- Examine all transactions and question the executive; and
- Dispense with, when circumstances so warrant, any part of detailed audit of any accounts or class of transactions and to apply such limited check in relation to such accounts or transactions as he may determine.

2.6.2 Powers of Delegation

The CAG can delegate his powers, under the provisions of the CAG's DPC Act, 1971 or any other law, to any officer of his Department, with the exception that, unless the CAG is absent on leave or otherwise, no officer can submit an audit report to the President or the Governor on his behalf.

2.6.3 Powers to make regulations

The CAG can make regulations for carrying into effect the provisions of the CAG's DPC Act, 1971, in so far as they relate to the scope and extent of audit, including laying down, for the guidance of Government Departments, the general principles of Government accounting and the broad principles in regard to audit of receipts and expenditure.

In view of significant developments in the environment wherein public auditors operate, such as the governance paradigm, changes in government priorities, extensive deployment of IT tools in service delivery and the data environment of the government, new forms of institutional set ups, judicial interpretation of the CAG's mandate, scope and applicability of public audit provisions

[2] *Sections 18, 21, 22, 23 & 24 of the CAG's DPC Act 1971*

etc., the 'Regulations on Audit and Accounts' issued in 2007 under the above mentioned powers were reviewed and have been substituted by the Regulations on Audit and Accounts (Amendments) 2020.

2.7 Different types of Audit conducted by SAI India

The CAG's powers extend to determining the scope, extent, methodology and approach to be adopted in conducting any audit. The CAG conducts financial audit, compliance audit and performance audit or any combination of these types of audits, in accordance with its mandate, standards and guidelines framed by the CAG in this regard.

Types of Audit Conducted by CAG

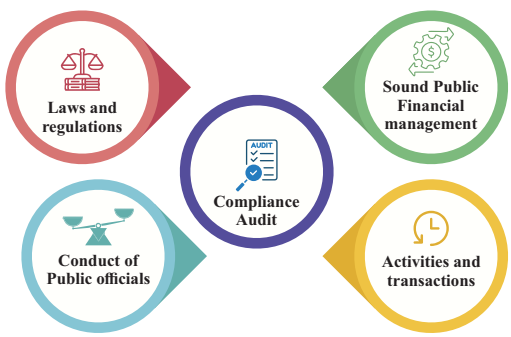
Financial Audit

Financial audit deals with determining whether an entity's financial statements and information are properly prepared, complete in all respects and are presented with adequate disclosures in accordance with the prescribed financial reporting and regulatory framework. The audit is accomplished by obtaining sufficient and appropriate evidence to enable the auditor to express an opinion as to whether the financial statements and information represent a true and fair view of the entity's financial situation and are free from material misstatement due to fraud or error.



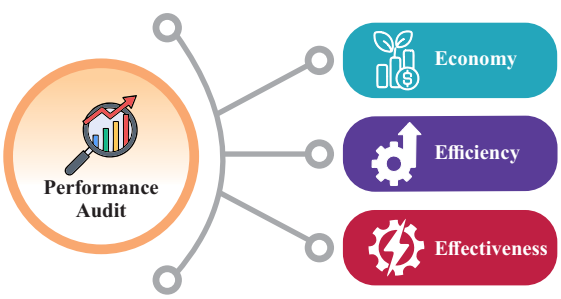
Compliance Audit

Compliance audit is an independent assessment of whether a given subject matter (an activity, financial or non-financial transaction, information in respect of an entity or a group of entities) complies in all material respects with the applicable laws, rules, regulations, established codes etc., and the general principles governing sound public financial management and the conduct of public officials.



Performance Audit

Performance audit is an independent, objective and reliable examination of whether government entities, institutions, operations, programmes, funds, activities (with their inputs, processes, outputs, outcomes and impacts) are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement.



CHAPTER-3

Organisation of SAI India

3.1 Organisation of SAI India

The CAG discharges his duties through the Indian Audit & Accounts Department. SAI India is a knowledge-based and human resource driven organisation. It consists of approximately 40,800 employees. The CAG's office, located in New Delhi, is the headquarters of SAI India. During 2024-25, SAI India was supported by 138 field offices (132 offices spread across India and six offices located abroad) including four Central Training Institutes and 12 Regional Capacity Building & Knowledge Institutes/Centres providing capacity building support.

The Office of the CAG directs, monitors and controls all activities connected with audit, accounts and entitlement functions of SAI India. It lays down the long term vision, mission and goals of SAI India. It also sets the policies, auditing standards and systems and carries out the final processing and approval of all audit reports.

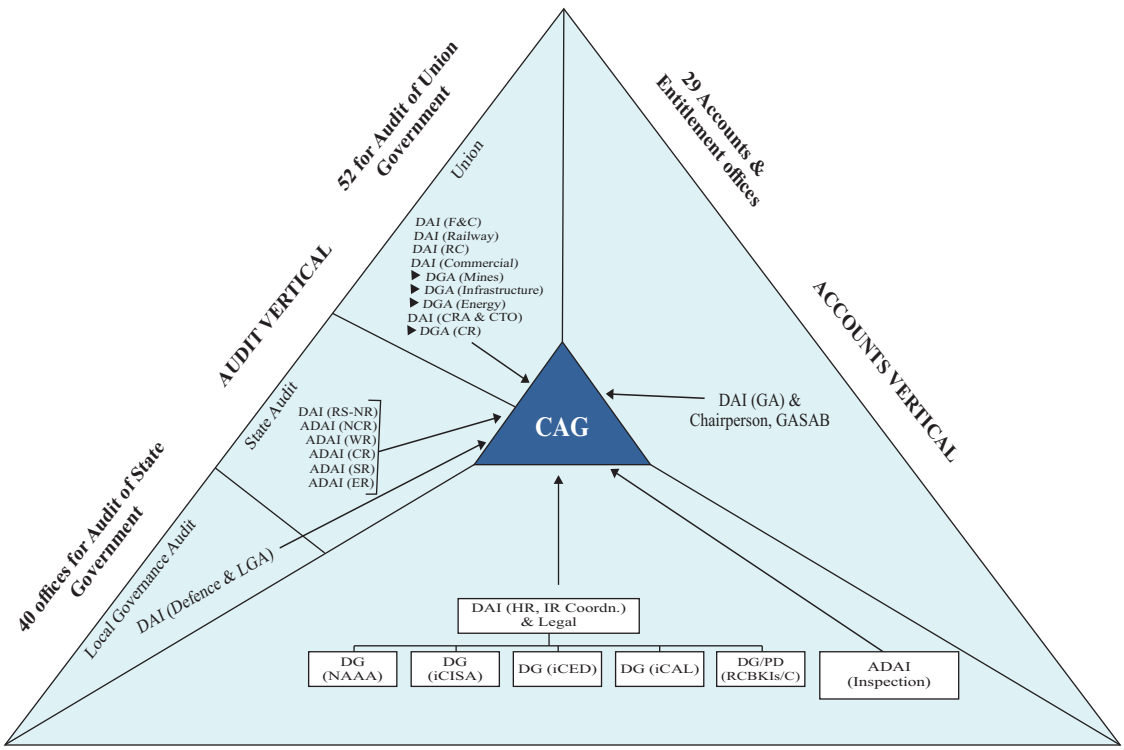
For carrying out these responsibilities, there are separate divisions dealing with Accounts and Entitlement, Civil Audit, Commercial Audit, Defence Audit, Railway Audit, Revenue Audit, State Governments Audit, Local Government Audit, Professional Practices, Strategic Management, Administration of Personnel, Knowledge and Capacity Building, Communication, Inspection of field offices, Big Data Management etc. These divisions are headed by the Deputy Comptroller and Auditors General/ Additional Deputy Comptroller and Auditors General who report to the CAG. They are assisted by Directors General, Principal Directors, Directors and Deputy Directors, who are all senior/middle level managers.

Field offices located in different parts of the country are responsible for carrying out the audit and accounts mandate of the CAG. The audit offices in London, Kuala Lumpur, Nairobi and Washington DC conduct audit of the overseas missions of the Government of India, while our external audit offices in Rome and Geneva carry out the audit of the United Nations' Food and Agricultural Organization and World Health Organization, respectively.

Our verticals are structured according to the functions we perform, viz., Audit of Union Government, Audit of State Government, Accounts and Entitlement and Capacity Building & Human Resources.

The organisational set up is depicted in the diagram below:

Organisation Chart of SAI India



DAI : Deputy Comptroller and Auditor General
ADAI : Additional Deputy Comptroller and Auditor General
29 Accounts & Entitlement offices
40 Offices for Audit of State Government
52 Offices for Audit of Union Government (including 4 Overseas Offices at Kuala Lumpur, London, Nairobi and Washington DC)
2 External Audit offices (Located at Rome and Geneva)
12 Regional Capacity Building & Knowledge Institutes/Centers (one RCBKC is not a separate office)
4 Central Training Institutes

The current Organisation chart of the Office of the CAG is available at https://cag.gov.in/en/organisation-chart . The web link to each of the field offices is available at https://cag.gov.in/en/home/our-office/1.

3.2 Comptroller and Auditor General's Audit Advisory Board

There is an Audit Advisory Board (AAB), to advise the CAG on matters relating to audit and suggest improvements in the performance and focus of audit within the framework of the Constitutional mandate of the CAG.

The Board consists of nominated external members who are eminent persons in diverse fields, as well as Deputy Comptroller and Auditors General of the SAI India. The members of the Board function in an honorary capacity. The AAB is reconstituted every two years. The first AAB was constituted in 1999. Since then, as on 31 March 2024, the Board was reconstituted ten times (2001,

2003, 2006, 2009, 2011, 2013, 2015, 2018, 2021 and 2023). As on 31 March 2025, the members of the Eleventh Audit Advisory Board are as follows:

CHAIRMAN



Shri K. Sanjay Murthy
Comptroller and Auditor General of India

MEMBERS



Shri Ashok Gulati
Agricultural Economist



Dr. Devi Prasad Shetty
Chairman and Executive Director,
Narayana Health



Shri H. K. Dash
Retired IAS Officer



Ms. Kiran Mazumdar Shaw
Entrepreneur



Shri Manish Sabharwal
HR Consultant



Shri Maroof Raza
Retired Indian Army Officer
and National Security Analyst



Shri Nitin Desai
Distinguished Fellow, TERI



Dr. Rajeev Lochan Bishnoi
Credit and Financial specialist



Dr. Ravindra H. Dholakia
Economist



Shri S.M. Vijayanand
Retired IAS officer



Shri P. K. Srivastava
Central Vigilance Commissioner

Ex-officio Members

All Deputy C & AsG

3.3 State Audit Advisory Boards

On similar lines, State Audit Advisory Boards (SAABs) have been constituted in the States, under the chairmanship of the concerned Principal Accountants General/Accountants General (Audit). Other Accountants General in the states are *ex-officio* members of the Board. External members are nominated from amongst eminent academicians, professionals and retired Civil Servants.

The objective of the State Audit Advisory Boards is to enhance the effectiveness of our audits, by providing a forum for professional discussion between the senior management of the audit offices and knowledgeable and experienced professionals from varied fields. The Boards meet twice a year and are reconstituted biennially.

CHAPTER-4

Capacity building infrastructure

4.1 Capacity building infrastructure of SAI India

The capacity building infrastructure of SAI India comprises four Central Training Institutes, 10 Regional Capacity Building & Knowledge Institutes (RCBKIs) and two Regional Capacity Building & Knowledge Centres (RCBKCs). This chapter describes the mandate and structure of our training institutes. The details of training programmes conducted by these Institutes are given in Chapter 2 under Section 3 and Chapter 5 under Section 5.

4.1.1 National Academy of Audit and Accounts, Shimla

The National Academy of Audit and Accounts (NAAA) is the apex training institute of SAI India, mandated to conduct the induction training of the Officer Trainees of the Indian Audit & Accounts Service (IA&AS) recruited through the Civil Services Examination conducted by the Union Public Service Commission and in-service training for officers from IA&AS and other All India and Central Civil Services.



NAAA, Shimla

NAAA nurtures the new recruits into a cadre of competent officers, well-versed with contemporary best practices in the field of auditing, accounting, public administration and good governance. The induction training at the Academy lasting 89 weeks, commences around December every year and is organised in a sandwich pattern of Phase-I, On the Job Training (OJT) and Phase-II training. Phase-I training is bifurcated into Semester-I & II with focus on different aspects of Government Accounts, Principles and Practices of Commercial Accounting, Principles of Public Sector Auditing, Public Finance, Law and Policy, Administration and Public Expenditure, Audit in Practice – I & II, Advanced Commercial Accounting, Financial Auditing, Cost and Management Accounts and Financial Management and Audit of Information Systems and Auditing in IT Environment. Classroom training is supplemented by On-the-Job training for 30 weeks in selected field offices across the country for providing hands on experience of working in the field formations of SAI India.

The Officer Trainees are also sent to other academic institutions of excellence for domain specific knowledge including at the Indian Institutes of Management (IIMs), National Institute of Public Finance and Policy (NIPFP), Reserve Bank of India (RBI), NITI Aayog, Securities and Exchange Board of India (SEBI), Arun Jaitley National Institute of Financial Management (AJNIFM) and Parliamentary Research and Training Institute for Democracies (PRIDE) .

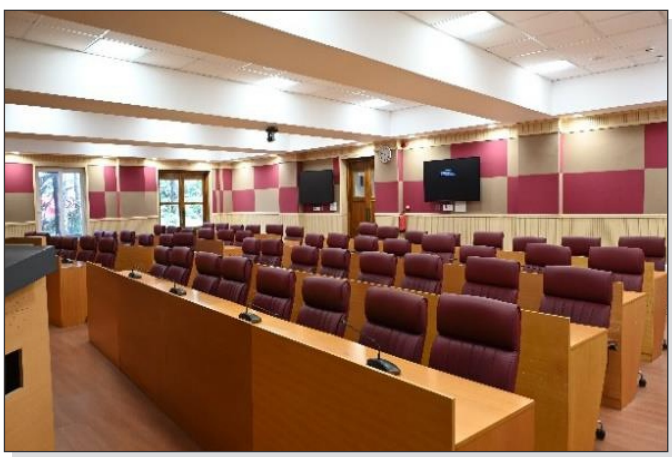
During the training at the Academy, focus is also given on the development of interpersonal skills and personality development of the Officer Trainees through sports, cultural, social outreach and other extra-curricular activities. There are various committees run by the Officer Trainees. Major activities organised by these committees include bringing out 'Academy Calling' and 'Yarrows Dew' magazines, organisation of annual photography-cum-exhibition of the entire SAI India known as 'Abhivyakti', annual debate competition 'Battle of Ideas', annual quiz competition 'Qriosity', annual sports meet 'Saamna', running of creche for children of migrant labourers, organisation of blood donation and health checkup camps, organising outreach programme on financial literacy in schools and colleges, organising various sporting events and cultural programmes.



Yarrows Hostel, NAAA, Shimla

NAAA also offers mid-career and in-service training to IA&AS officers and the officers of other departments. NAAA carries out specialized programmes for All India Services and Central Services such as the Indian Administrative Service, Indian Police Service, Indian Forest Service, Indian Civil Accounts Service, Indian Defence Accounts Service, Indian Railway Accounts Service, Indian Postal Service, Indian Army etc.

The Academy features state-of-the-art facilities, including academic, administrative and utility sections. The Academic section has two Seminar Halls (Satpura & Himadri), a computer centre (Aravalli) with All-in-One PCs, a discussion room (Purvanchal) with modern facilities like smart board and an Auditorium (Nilgiri) with a seating capacity of 69 persons. The Administrative section includes offices, lounges and a Conference Hall, with all rooms centrally heated.



Facilities at NAAA, Shimla

The library, named after Nobel Laureate Shri C. V. Raman, holds over 23,000 books and periodicals, and is linked to the National Knowledge Network, subscribing to over 100 foreign e-journals. It also has sections for feature and documentary films. The library also has e-portal: “Knimbus”,

which can be accessed through: https://naaa.knimbus.com/user#/home. It and also subscribes to Magzter a magazine portal with access to around 1000 magazines. Besides, the Academy now also has access to the One Nation One Subscription (ONOS) portal through which open access to many reputed journals is established.



Library at NAAA, Shimla



Sports facilities at NAAA, Shimla

Faculty and support staff live on campus, ensuring continuous interaction and comfort. While IA&AS Officer Trainees (OTs) mainly reside in heart of the residential complex: 'Yarrows', some trainees and all guests are accommodated in 'Glen' and 'Cedar', all centrally heated residential buildings and connected via EPABX.

Recreational facilities include sports like tennis, squash, chess, badminton , table tennis and billiards and a well-equipped gymnasium. Academy also possesses a lively music room with modern instruments. OTs are encouraged to pursue any hobby of their choice.

4.1.2 International Centre for Information Systems and Audit (iCISA)

iCISA was established in March 2002 to design frontline audit products and conduct high quality, skill-based training programmes for national and international participants, using the latest pedagogy and training tools. iCISA aims to provide thought leadership by fostering innovation, research and capacity building in Information Systems Audit and Emerging Technologies. iCISA is a designated Global Training Facility of the INTOSAI Working Group on IT Audit and is an ISO 9001:2008 and ISO 27001 certified institution.



iCISA, campus



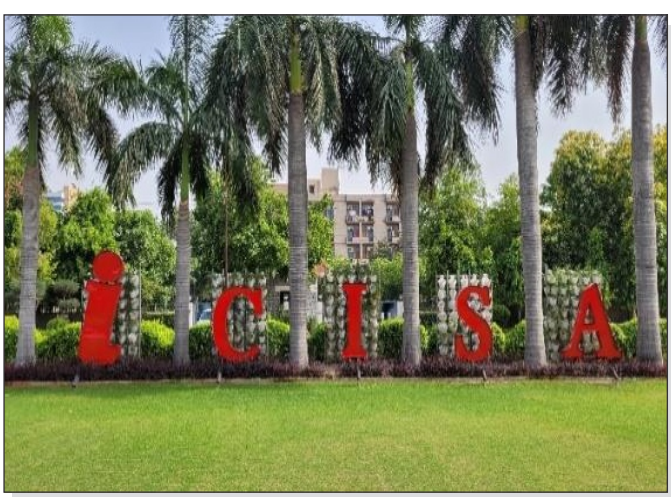
iCISA, campus

The campus, spread over ten acres (40,468 square meters), is equipped with various facilities designed to make the stay of the participants both comfortable and lively. The elegantly landscaped campus includes blocks for training and lodging apart from a host of recreational and sporting facilities. Seeking to reduce its environmental footprint, the campus has solar panels for electricity generation, a rainwater harvest recharge system and a composting unit which caters to its horticultural requirements.

iCISA contributes to capacity building of audit professionals from SAIs across the globe in public auditing, Data Analytics & Emerging Technologies. Besides training SAI India officers, iCISA also caters to capacity building requirement of officers from other organisations/ services such as., Indian Administrative Service, Indian Forest Service, Indian Defence Accounts Services, Military Engineering Services, Indian Civil Accounts Services and Central Autonomous Bodies etc.



iCISA, campus



iCISA, campus

iCISA conducts International Training Programmes of three-to four-week duration under the Indian Technical and Economic Co-operation (ITEC) programme of the Ministry of External Affairs. Senior and middle level officers from various SAIs and officers of Governments of countries in Africa, Central Asia, South East Asia, Far East, Middle East, Pacific and the East European region participate in these international training programmes.

iCISA also contributes to capacity building of various SAIs through customised bilateral training programmes under the ambit of MoUs signed between SAI India and other SAIs as also based on requests from individual SAIs. iCISA has designed and delivered customised training programmes for participants from several countries viz., Afghanistan, Bhutan, Chile, Eswatini, Iraq, Jamaica, Maldives, Nepal, Oman, Uganda, Vietnam, Syria, Cambodia and Mongolia. These bilateral training programmes are an effective instrument for deepening ties between the SAIs and respective countries.

iCISA has also forayed into training using foreign language interpretation to minimizse language barriers, maximise learning outcomes and expand its training outreach.

4.1.3 International Centre for Environmental Audit & Sustainable Development (iCED)

iCED has been set up under the aegis of the CAG of India in May, 2013 at Jaipur for capacity building, knowledge sharing and research in the area of environmental audit and sustainable development. Recognising the growing importance of ocean-based economies, the CAG of India has also established a Centre of Excellence for the Blue Economy at iCED. This Centre focuses on capacity building, training and research, aimed at promoting holistic and integrated audits in the Blue Economy domain.



iCED, Jaipur

iCED is a designated Global Training Facility (GTF) of the Working Group on Environmental Audit (WGEA) as well as of the Working Group on Audit of Extractive Industries (WGEI) of the International Organizations of Supreme Audit Institutions (INTOSAI). It is also a leading institution conducting training programmes on Environment Audit under the Indian Technical and Economic Cooperation (ITEC) Programme sponsored by the Ministry of External Affairs, Government of India. Further, as a dedicated and pivotal centre of SAI India, iCED conducts extensive capacity building and research facility in the area of Environment Audit and Sustainable Development, harnessing SAI India's rich expertise in conducting such audits.

iCED publishes a quarterly journal titled "Green Files", focusing on issues related to environmental audit and sustainable development. The journal helps the audit offices identify areas of audit concern and stay informed on emerging environmental themes.

iCED's campus, sprawling over 16 acres of land, is amidst the picturesque backdrop of the Aravali hills, just outside the historic city of Jaipur. It maintains an extensive green belt of nearly 10,537 plants and trees (including shrubs, hedges) of a bio-diverse terrain. Of the total area, 85 *per cent* of the campus is a 'Green Zone' with variegated flora and fauna.

Reflecting the SAI India's commitment towards environmental conservation, iCED was designed to be a part of the living environment. The campus exhibits many green features viz.

- Use of fly ash in concrete and bricks
- Weatherproof and climate-resilient building
- Energy efficient features and fixtures in design
- Use of clean energy through Solar Farm
- Water conservation Rainwater Harvesting System
- Reuse of water through Sewage Treatment Plant
- Rare Trees Park

This enhances the commitment of SAI India to the cause of a sustainable environment.

Sustainability on the campus at iCED, Jaipur



Rare Trees park in iCED to conserve and display local medicinal plants and rare vegetation having ecological importance



Sky lights for lighting in the basement and training halls by using natural light during day time and reduce dependence on artificial lighting for energy conservating



Solar Farm at iCED campus for generation and utilisation of clean energy

Other amenities and Facilities

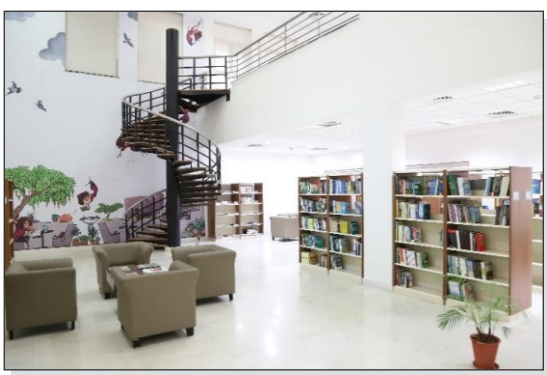
iCED has comfortable in-house residential facilities including multi-cuisine dining and sports amenities.



iCED Training Hall



Birds Eye view of iCED Amphitheatre



iCED Library

4.1.4 International Centre for Audit of Local Governance (iCAL)

iCAL, Rajkot was inaugurated in July 2024 in order to address the need for capacity building in the field of audit of local governance across the globe. The Centre aims to build the capacity of:

- Elected representatives and executive officials of local governments across India and the globe,
- Local Government auditors from SAIs and subordinate audit formations.



iCAL, Rajkot

The Centre will serve as a Centre of Excellence for capacity building of local government auditors, both national and international. It will also act as a knowledge centre and think-tank to

address governance issues at grassroots levels across nations. Taking a lead from INTOSAI's overarching mission, vision and values, iCAL strives to foster an environment for its members to share invaluable experiences, expertise and best practices in auditing local governments. iCAL will also collaborate with international and national organisations, SAIs and training institutions through bilateral exchanges and ITECs.

iCAL's primary aim is to empower auditors, executives and elected representatives of local governments to effectively fulfil their roles through training and leadership development initiatives.

Participants undergo wide-ranging programs to acquire the essential knowledge, skills and tools required to navigate the complexities of local governance and public administration. The training activities focus on addressing emerging challenges, improving analytical abilities and fostering ethical decision-making to promote good governance, inclusive development and sustainable outcomes in communities.



iCAL Training Room

4.1.5 Regional Capacity Building & Knowledge Institutes /Centres (RCBKIs/Cs)

SAI India has 10 Regional Capacity Building & Knowledge Institute (RCBKIs) and two Regional Capacity Building & Knowledge Centres (RCBKCs) located across the country to provide extensive training in accounts, audit, administration, management and Information Technology for officers/officials of SAI India. The institutes are located in Chennai, Hyderabad, Jaipur, Jammu, Kolkata, Mumbai, Nagpur, Prayagraj, Ranchi and Shillong. Two RCBKCs are located in Bengaluru and Delhi.

The RCBKIs/Cs function as Knowledge Centres for specific areas of specialisation assigned to each of them. As Knowledge Centres, the RCBKIs/RCBKCs prepare Structured Training Modules (STMs), case studies and other training materials on topics pertaining to their designated areas of specialisation. They conduct All India Training Programmes in the area of specialisation allotted to them.



RCBKI Shillong



RCBKI Nagpur



RCBKI Ranchi



RCBKI Jaipur



RCBKI Prayagraj



RCBKI Mumbai

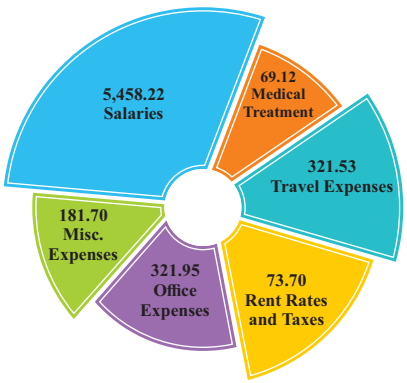
CHAPTER-5

How we manage our resources

5.1 Financial Management - Components of Expenditure

We spent ₹6,426.22 crore in 2024-25. A major share of total expenditure (89.94 *per cent*) was incurred directly on our human resources – 84.94 *per cent* on 'Salaries' and 5.00 *per cent* on 'Travel'. Component wise details of expenditure are given below:

COMPONENTS OF EXPENDITURE (₹ IN CRORE)



Total expenditure for the financial years 2021-22, 2022-23 and 2023-24 were ₹5,352.06 crore, ₹5,871.02 crore and ₹6,103.76 crore respectively.

5.1.1 Expenditure pattern on functional basis

Civil Audit Offices accounted for the largest share of expenditure followed by Accounts & Entitlement Offices. Overall we spent about 70.31 *per cent* on Audit (excluding Headquarters). The total expenditure on the Accounts & Entitlement Offices was approximately 23.96 *per cent*.

Table 5.1.1

Category of office	Actual Expenditure[1] (₹ in crore)	Percentage of Expenditure
Headquarters office	256.91	4.00
Civil Audit Offices	3,441.69	53.56
Commercial Audit Offices	311.53	4.85
Finance & Communication Audit Offices	207.41	3.23
Railway Audit Offices	321.45	5.00
Defence Audit Offices	187.03	2.91
Accounts & Entitlement Offices	1,539.86	23.96
UN Audit(Office of Directors of External Audit WHO-Geneva and FAO - Rome)	4.57	0.07
Overseas Audit offices	44.04	0.69
Capacity Building	88.37	1.37
Centralised procurements	23.36	0.36
Total	**6,426.22**	**100**

[1] Expenditure figures are provisional.

5.2 Human Resources Management

People are our key assets as we are a knowledge based organisation. ISSAI 40 prescribes that the SAI should establish policies and procedures designed to provide it with assurance that it has adequate number of competent and motivated staff to discharge its functions effectively.

Our manpower is broadly classified into four categories:

Category	Numbers of Officers/Staff in position (as on 31 March 2025)
IA&AS	651
Supervisory Cadre	19,045
Audit & Accounts Staff	19,125
Multi - Tasking Staff	1,957
Total	**40,778**

In SAI India, 48.30 *per cent* people are at different managerial and supervisory levels and 46.90 *per cent* people constitute audit and accounts staff.



Indian Audit & Accounts Service (IA&AS) - Officers are recruited through Union Public Service Commission. The top, senior and middle management levels of SAI India are manned by officers from this service. In addition, Senior Audit/Accounts Officers are also inducted into this service by promotions. They constitute the Group A service in Government of India.

Supervisory Cadres - The supervisory cadre consists of Senior Audit/Accounts Officers (Group A- Gazetted), Assistant Audit/Accounts Officers (Group B- Gazetted), and Supervisors (Group B- Non-Gazetted). They form the critical operational management in our hierarchy. Assistant Audit/ Accounts Officers come through either by direct recruitment process conducted by the Staff Selection Commission or are promoted to the cadre after passing All India departmental examinations popularly known as the Subordinate Audit/Accounts Services Examination.

Audit & Accounts Staff - Data Entry Operators (DEOs), Clerks, Auditors/ Accountants, Senior Auditors/Senior Accountants and Assistant Supervisors form this cadre. They are recruited by the Staff Selection Commission or promoted from feeder cadre.

Multi-Tasking Staff - Support functions in various SAI India's offices are carried out by multi-tasking staff.

5.2.1 Qualifications

The IA&AS cadre has 15 doctorates, 227 post graduates and 403 graduates. Out of them 393 are professionally qualified[2] officers. Officers and staff in the non-IA&AS cadre of Group 'A', 'B' & 'C' are also well qualified. We have 53 doctorates, 5,119 professionally qualified personnel, 4,866 post graduates and 21,745 graduates in these cadres.

5.2.2 Recruitment

Optimal staffing in the field offices continued to be a focus of the department during 2024-25.

- 17 officers in IA&AS cadre were appointed during 2024-25.
- We recruited 25 persons in 2024-25 in Junior Translator cadre.
- During the year 2024-25, 208 consultants were appointed on specific requirement basis.

[2] *Engineers, Managers, Doctors, CA, ICWA, CFE, CISA etc.*

5.2.3 Gender Balance

The table below shows the gender profile of the Department in different cadres.

Category	Women	Men	Percentage of women
IA & AS	195	456	29.95
Supervisory Cadre & Audit/Acconts Staff	5,836	32,334	15.29
Multi- Tasking Staff	359	1,598	18.34
Total	**6,390**	**34,388**	**15.67**

While the proportion of women was 15.29 and 18.34 *per cent* in case of supervisory cadre and Multi-Tasking Staff respectively, it was higher in IA&AS at 29.95 *per cent*.

5.2.4 Staff Associations

We have 226 Staff Associations and five All India Federations representing audit and accounts staff and supervisory cadres. State level meetings were periodically held by the Principal Accountants General/Accountants General with the concerned field level Service Associations.

Section 2

Fulfilling our mandate

Chapter 1
Fulfilling our Audit Mandate

Chapter 2
Fulfilling our Accounts mandate

Chapter 3
Strategic Plan of SAI India - 2023-2030



Statue of Dr. B.R. Ambedkar in the CAG office premises

CHAPTER-1

Fulfilling our Audit Mandate

1.1 Our Audit Process

The audit process at the SAI India level and the individual audit office level follows several stages, as depicted in the following diagram:



The Strategic Audit Plan provides the overarching framework for planning in the SAI India on all significant areas for a longer time horizon. Annual Audit Plans developed by each field office contain the details of the individual audits planned during the annual audit cycle. The annual audit plan exercise takes into account the periodicity of audit, as determined by audit mandate; risk assessment; and other relevant parameters, including significance of the issue or unit and human resources available. The selection of topics for Performance Audit is guided by various considerations such as risk assessment, materiality and significance, visibility of the subject, past audits, estimated impact, coverage and stage of the programme development etc.

We also develop detailed audit programmes describing the audit teams to be deployed, the time allotted and the exact dates of the audit. The audit teams conduct audit based on prescribed audit norms, using different techniques for collecting reliable, competent and sufficient audit evidence to support their audit conclusions. They are guided by the auditing standards of SAI India and other instructions issued from time to time.

On completion of an audit, an Inspection Report is issued to the audited entity. Audit findings of high value, or those that may have a significant impact, are further processed for inclusion in the Audit Reports of the CAG for laying in the Parliament/State Legislatures at the Union and State levels.

The audited entities are expected to take action on the shortcomings pointed out and the recommendations made in the Audit Reports and send Action Taken Notes on the audit observations included in the Audit Reports. The Audit Reports issued by the CAG to the Union and State Legislatures are discussed by the respective Public Accounts Committees (PAC) and Committees on Public Undertakings (COPU). Action taken on audit observations and recommendations is also examined and reported upon during subsequent audits.

The Audit Committees constituted by audited entities are a mechanism for follow up of audit findings. The Audit Committees, consisting of officials from the audited entity and the SAI India, monitor the follow-up process, to bridge any perception gaps and to improve levels of communication, besides discussing and resolving outstanding audit observations.

1.2 Strategic Audit Plan

A Committee was constituted in January 2025 for preparation of the Strategic Audit Plan of SAI India for the period 2026-30. The Committee was to prepare a portfolio of topics/themes for Performance/ Compliance Audits to be undertaken during 2026-30, identify a set of parameters to ensure minimum desired coverage of audit universe and identify technology, manpower and a suite of resources needed for successful implementation of the Strategic Audit Plan and ensure desired coverage of audit universe and quality of audit. The Committee submitted the draft Strategic Audit Plan in March 2025 which was discussed with the Senior Management in March 2025.

1.3 Highlights of the Annual Audit Plan 2024-25

The Annual Audit Plan 2024-25 accorded priority to the mandatory Financial Attest Audit related assignments. Our coverage of Compliance and Performance audits was guided by risk assessment and optimal utilisation of our remaining resources, with emphasis on quality and timeliness of Audit Report.

After holding several interactions with stakeholders and experts, we took up cross cutting audits on 'Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)', 'Functioning of Regional Transport Offices (RTOs)' and 'Jal Jeevan Mission'(JJM).

1.4 Key Results and Achievements in Audit

Key functional areas of the SAI India include audit of the Ministries/Departments of the Union and State Governments, Public Sector Undertakings (PSUs) and Autonomous Bodies under them and Local Bodies. SAI India conducts Financial, Compliance and Performance audits in each of these functional areas.

The main outputs of these audits are Inspection Reports and Audit Certificates with Separate Audit Reports that are issued to the management of the audited entity. Significant audit observations reported in these audit products are included in Audit Reports of the CAG, which are placed before the Parliament/State Legislatures under provisions of Article 151 of the Constitution of India. Ensuring the quality and timeliness of these audit products is a key result area of the SAI India. In the following paragraphs, we report on the audits performed by us and the highlights of our audit products during 2024-25.

1.4.1 Financial Attest Audit

Besides the Financial Attest Audit of annual accounts of the Union and State Governments, Autonomous Bodies and PSUs, the SAI India also certifies the expenditure incurred on externally aided projects, as part of aid agreements.

In 2024-25, we examined 8,701 accounts of Union and State Governments, PSUs, Autonomous Bodies, externally aided projects and other entities and issued audit certificate/comments for each account. Of these, only 2,142 accounts were received within the prescribed time. However, despite late receipt of majority of accounts, we issued 6,146 audit certificates/comments within time.

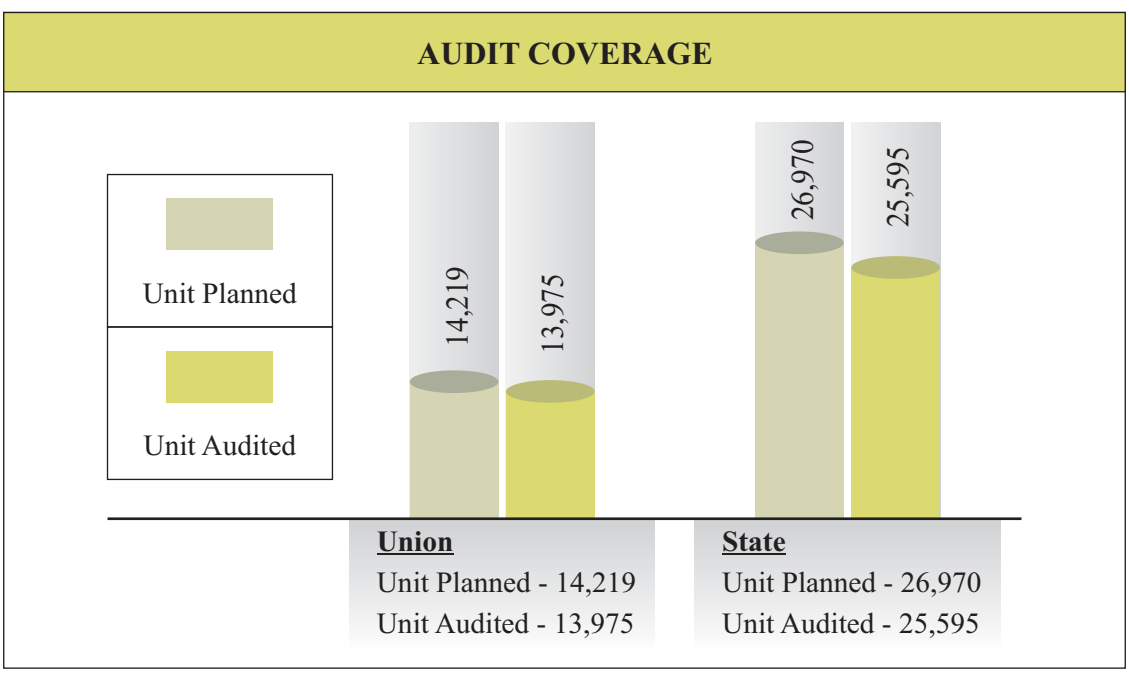
Accounts relating to	No. of accounts examined	No. of accounts received within prescribed time	Certificates issued within prescribed time
Central/State Government	1,601	843	803
PSUs (Central/State)	1,669	757	938
Autonomous Bodies (Central/State)	1,042	275	405
Externally Aided Project (Central/State)	224	136	143
Others (Central/States) [1]	4,165	131	3,857
Total	**8,701**	**2,142**	**6,146**

The delays in certification of accounts were mainly on account of delay in receipt of accounts from the audited entity, delay in receipt of reply/response from the Management/Statutory Auditor, receipt of accounts for more than one year etc.

1.4.2 Compliance Audits

1.4.2.1 Audit Coverage

A total of 41,189 units were planned for audit during 2024-25. Against this, 39,570 units were audited during the year. The graph below shows that 98.28 *per cent* of the planned audits at the Union level and 94.90 *per cent* of the planned audits at the State level were completed.



[1] 'Others' include Gram Panchayats and proforma accounts of departmental undertakings of commercial nature including Centrally Sponsored Schemes

1.4.2.2 Inspection Reports

Inspection Reports (IRs) are issued on completion of every audit to the audited entity. Of the 39,570 units audited during the year, IRs in case of 21,687 units (54.81 *per cent*) were issued in 2024-25. In addition, 3,815 IRs were also issued for the units audited prior to 2024-25.

At the Union level, 85.65 *per cent* of the IRs were issued on time i.e., within 30 days, while at the State level, the on-time performance was 68.05 *per cent*.

Inspection Reports	Inspection Reports issued for Units actually audited during the year	Inspection Reports issued for units audited prior to 2024-25	Total Inspection Reports issued during the year	Inspection Reports issued within 30 days	Percentage of Inspection Reports issued within 30 days
Union	8,588	1,101	9,689	8,299	85.65
States	13,099	2,714	15,813	10,761	68.05
Total	**21,687**	**3,815**	**25,502**	**19,060**	**74.74**

1.4.2.3 Audit observations reported in Compliance Audit Reports

Significant audit observations made during compliance audit are included in the Compliance Audit Reports of the CAG. A total of 981 audit observations (617 in the Union Audit Reports and 364 in the State Audit Reports) were included in the Audit Reports approved during 2024-25. Important topics for Standalone Compliance Audit Reports were 'Examination of assessment of companies dealing in the business of 'Distilleries and Breweries' by the Income Tax Department', 'Outstanding Demand on Income Tax Assessees', 'Working of Mancheswar Carriage Repair Workshop in East Coast Railway' 'Construction of 5th and 6th line between Chhatrapati Shivaji Maharaj Terminus-Kurla Station' and 'Activities of Indian National Centre for Ocean Information Services (INCOIS)'.

At the Union level, 45 of the 617 audit observations were accepted and 23 were partially accepted by the audited entities. At the State level, of the 364 audit observations, 173 were accepted and 55 were partially accepted by the audited entities.

1.4.3 Performance Audits

Apart from the Horizontal Audits mentioned in paragraph 1.3, the other important topics taken up for Performance Audit at Union and States level in various spheres of government activities were 'Assessment, levy and collection of GST on mining including minor minerals', 'Project Imports Scheme', 'Passenger amenities and sanitation at stations in Indian Railways', ' Freight incentive schemes in Indian Railways', 'Assessment of preparedness for Climate change using Climate Scanner tool', 'Atal Mission for Rejuvenation and Urban Transformation (AMRUT)', 'Public School Education', 'Pradhan Mantri Awas Yojna-Grameen', 'Pradhan Mantri Awas Yojna-Urban', 'Adequacy of Working Women's Hostel and Orphanages', 'Functioning of Micro Projects for Development of Particularly Vulnerable Tribal Groups', 'National Generic Document Registration System', 'Working of Youth Services & Sports Department and Jammu & Kashmir Sports Council', 'Land Records Information System', 'Pradhan Mantri Fasal Bima Yojana

(PMFBY)', 'Emergency Response Surveillance System (Dial 112)', 'Construction of EWS houses, night shelters, Jan Suvidha Complexes and improvement of Urban Slums' and 'Disaster Management of Earthquake and Flood Hazards in Delhi'.

1.4.4 Audit Reports

Article 151 of the Constitution envisages that the CAG will prepare and submit reports to the President or the Governor for laying in the Parliament or the State Legislatures, as the case may be.

During 2024-25, 156 Audit Reports were approved, of which 19 Reports were to be tabled in the Parliament and 137 in the State Legislatures. Out of 156 Audit Reports, nine Union Audit Reports and 72 State Audit Reports were presented to the Parliament and the State Legislatures respectively during 2024-25. Further, 10 Union Audit Reports and 66 State Audit Reports approved prior to April 2024 were also presented to the Parliament and State Legislatures respectively during 2024-25.

The Reports of the CAG, after they are tabled in the Parliament/State Legislatures, are placed in public domain at https://cag.gov.in/en/audit-report

1.4.5 Impact of Audit

1.4.5.1 Acceptance of Recommendations made by Audit

Between 2021-22 to 2023-24, on an average, annually 958 out of 2,370 recommendations made in the approved Audit Reports were accepted by the audited entities.

The status of recommendations made in the 156 Audit Reports approved during 2024-25 was as under:

Audit Reports	No. of Audit Reports approved during the year	Recommendations made	Recommendations accepted
Union Government	19	286	32
State & Union Territory Governments	137	2,420	1,146
Total	**156**	**2,706**	**1,178**

Thus, 2,706 recommendations were made in the 156 Audit Reports approved during 2024-25, of which 1,178 recommendations were accepted by the audited entities.

1.4.5.2 Recoveries at the instance of Audit

Some of our audit observations pertain to underassessment of taxes or specific loss to the exchequer, necessitating recoveries from the concerned parties. The average recovery accepted during the years 2020-21 to 2023-24 was ₹ 41,255.73 crore whereas that of recoveries effected during the same period were ₹ 4,998.27 crore.

The recoveries made at the instance of Audit, during the year 2024-25, are indicated below:

(₹ in crore)

	Recoveries accepted	Recoveries effected
Union Government	6,830.78	755.65
State Government	17,362.44	1,843.38
Total	**24,193.22**	**2,599.03**

1.4.5.3 Impact of the Audit of Annual Accounts of PSUs

(i) Financial impact

In the case of annual accounts of Government companies and corporations, we conduct supplementary audit, under section 143(6) of the Companies Act, 2013. Supplementary audit of accounts of 1,416 companies and corporations (both Union and States) was conducted during 2024-25 and the impact of these audits on the accounts was: (a) amendment to Notes to the Accounts: ₹ 73,935.91 crore (b) classification mistakes: ₹ 49,212.62 crore (c) changes in profit and loss: ₹ 48,270.15 crore, and (d) changes in assets and liabilities: ₹1,93,579.35 crore.

(ii) Changes in Accounting Policies/Notes to Accounts (CPSUs)

Management Letters and audit observations issued in the course of supplementary audit had the following impact:

- Based on the Audit Enquiries, **Bharat Earth Movers Limited** formulated norms for Provision for obsolescence in respect of Work in Progress/ Semi-Finished goods and made a provision as per norms for FY 2024-25.
- Based on the Audit Enquiries, **Bharat Earth Movers Limited** amended its accounting policy for impairment loss on financial assets.
- Based on the Audit Enquiries, **Bharat Electronics Limited Corporate Office** issued Guidelines to all Strategic Business Units/ Units to bring uniformity in practice regarding capitalisation of assets.
- Based on the Audit Enquiries, **Bharat Dynamics Limited** allocated separate Asset codes for assets in line with Ind AS 16 - Property, Plant & Equipment during FY 2024-25.
- Based on the Audit Enquiries, **Hindustan Aeronautics Limited** issued Accounting Instruction (AI 23) reiterating uniform method of determining non-moving inventory to be followed.
- Based on observations during financial audit of **Hindustan Petroleum Corporation Limited (HPCL)** for the year 2022-23, HPCL revised the residual value of certain pipelines, including City Gas Distribution (CGD) business pipelines from five *per cent*

to 'Zero' with Industry consensus along with other CPSEs during 2023-24.

- Based on observations during financial audit of HPCL for the year 2022-23, Accounting Policy relating to 'Intangible assets under development' was included in 'Material Accounting Policy Information' by HPCL.

- Based on observation during supplementary audit on the accounts of **Delhi Metro Rail Corporation Limited** for the year ended 31 March 2023, the subordinate debts have been indicated at fair value under Borrowings (Note 15) and the difference amount included under Other Liabilities (Note 18) with appropriate bifurcation between Current and Non-Current in the annual accounts of 2023-24. Further, correction was made in the Cash Flow Statement in the annual accounts of 2023-24 regarding inclusion of principal due but not paid to GoI, despite being a non-cash item under Cash Flow from financing activity.

- Based on observation during financial audit of **Rashtriya Ispat Nigam Limited** for 2022-23, the inconsistent Accounting Policy adopted by the Company for accounting of dunnage was incorporated in the Material Accounting Policies presented in the Notes to Accounts of Financial Statement for FY 2023-24.

- Based on observation during supplementary audit on Consolidated Financial Statement of **Coal India Limited** for the FY 2022-23, the policy for determination of overburden removal cost and its apportionment between production of coal and overburden removed was reviewed to bring consistency and uniformity. Also the methodology for recognition and its amortisation over the expected useful life was defined.

- Based on observation during supplementary audit of **NSIC Venture Capital Fund Limited** for the year 2022-23, the depreciation rates used/ useful life in respect of Furniture & Fixtures and useful life in respect of Office Equipment has been changed in the Accounting Policy for FY 2023-24.

- Based on the Management letter issued for FY 2023-24, **Konkan Railway Corporation Limited** rectified the overstatement of cash flow from operating activities in the printed version of financial statement.

(iii) Changes in Accounting Policies/Notes to Accounts (SPSUs)

Karnataka

- Based on the observation raised during the financial audit of **North Western Karnataka Road Transport Corporation,** Accounting Policy was modified for charging depreciation on buildings and other civil structures at different rates, considering the nature of assets, in the financial statement for the year 2023-24.

- Based on the comment issued in the Separate Audit Report on the accounts of **Karnataka State Khadi and Village Industries Board,** Accounting Policy with regard to treatment of

Capital Grants was included in the Financial Statements for the year 2022-23.

- Based on the comment issued in the Separate Audit Report on the accounts of **Karnataka State Legal Services Authority,** change in Accounting Policy with regard to treatment of Grants was effected in the financial statements for the year 2021-22.

1.4.5.4 Changes in Policies, Laws and Rules and Procedures at the instance of Audit

Some of the changes in the policies, laws, rules and procedures made by the Ministries/Departments of the Union/State Governments based on our observations are as follows:

Union Audit

(i) Direct Taxes- Audit Report No.4 of 2023 (Compliance Audit)

Based on the recommendations included in the Audit Report, Central Board of Direct Taxes issued the following instructions:

- Format for the order under Section 281B has been prescribed to include all the elements of essential information required for Provisional Attachment to ensure consistency and legal sustainability.
- Specific criteria for opinion formation, has been framed to facilitate the AOs in initiating Provisional Attachment proceedings in an effective, transparent and legally sustainable manner.
- Comprehensive SOP for provisional attachment, including notification of Provisional Attachment order under Section 281B to the concerned authorities has been issued to ensure uniformity in implementation of relevant provisions of the Act and to protect the revenue of the Government.
- Notifying of provisional attachment orders under Section 281B to the concerned Authorities, including the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI), has been made mandatory with specific directions to the Authorities for making note of the provisional attachment and to monitor the assessee's compliance to the directions issued therein.
- Guidelines have been issued for selecting the appropriate assets for enquiry during search and seizure.
- Guidelines have been issued to facilitate selection of appropriate and sufficient property for assessment for the purpose of maximising the interest of revenue.
- Mechanism has been prescribed for ensuring the verification of ownership status of the property to be attached.

(ii) Railway Audit

- Based on the audit observation **(Report No. 25 of 2022)**, Railway Board has issued specific instructions related to appointment and transfer procedures in Indian Railways.
- Based on the audit observation **(Para No.3.16 of Report for the year 2021-22)**, all divisions of North Central Railway have been advised to get separate metering done for domestic and commercial electricity connections.
- Based on the audit observation **(Report No. 4 of 2024)**, Railway Board has directed all zonal railways to ensure uniform Land License Fee practices nationally, establishing a new standard for financial accuracy.
- Based on the audit observation **(Provisional Paragraph 9 of 2024)**, Indian Railway has issued a circular to all Zonal Railways streamlining payment of spectrum charges by removing decentralised payments.

(iii) Commercial Audit

- Based on observations included in the **Para 4.4 of Report No. 1 of 2023** of CAG, provisions of maintenance of register of buildings and inspection of building structure was amended in CPWD Maintenance Manual 2023, CPWD has adopted digital platform for recording all the data pertaining to building assets.
- CPWD was calculating the contractor profit and overhead charges (CPOH) on the gross amount including GST component instead of calculating the GST on the gross amount including CPOH. This method of calculating the estimated rate led to overall enhancement of estimated cost of work by more than two *per cent*. Based on audit observation, CPWD instructed (August 2024) that while making estimation as per DSR-2023, a multiplication factor of 0.973 shall be applied.

State Audit

(i) Odisha

- Based on audit observation (SSCA on Departmental Execution of works and procurement of input materials by ITDAs), on irregular transmission of funds to the Asst./Junior Engineers of the ITDAs, the State Government revised the procedure as per which, funds shall be remitted based on the actual value of work done.

(ii) Maharashtra

- Based on audit observation, **Maharashtra State Electricity Distribution Co. Ltd.** (MSEDCL) **(Financial Audit for the year 2023-24)** issued instruction to all field offices to verify the Government consumers (HT/ LT) before levying Electricity Duty and Tax on Sale of Electricity (ToSE).

(iii) Kerala

- Based on audit observation **(Inspection Report)**, Government of Kerala amended its Foreign Liquor Rules to address the issue regarding sale/transfer of license upon change of ownership.

- Based on audit observation **(Compliance Audit on Enforcement activities of the State Excise Department, for 2020-21 to 2022-23)**, Government of Kerala issued guidelines specifying the steps to be followed in the case of intelligence inputs received from various sources.

(iv) Tamil Nadu

Based on audit observations related to short collection of Stamp Duty and Registration Fee **(various Inspection Reports)**, Government of Tamil Nadu issued Gazette Notification regarding 'treatment of cancellation of Sale Deed' and 'definition of family for the purpose of Partition and Release deed'.

(v) Puducherry

Based on the audit observation **(Para 4.1 of the Report for the year ending March 2022)**, Government of Puducherry issued orders regarding discontinuance of Rent Free Accommodation allowance in line with the instructions of Government of India and recovered the inadmissible amounts paid.

(vi) Uttar Pradesh

In **U.P. Rajkiya Nirman Nigam Limited,** GST was not being calculated on the amount of Centage Charges and Labour Cess in estimate and technical sanction resulting in loss of amount of GST as Nigam was depositing GST on whole amount of work including Centage Charges and Labour Cess, but it was not realised from the client department/ Authorities/ organisations etc. Based on para in the **Inspection Report (104/2024-25),** the PSU issued circular in March 2025 instructing its units to prepare estimate calculating GST on amount of Centage Charges and Labour Cess and to realise GST amount from the client departments.

1.4.5.5 Leveraging the IT systems and their databases to embark on digital audit of GST revenues

The Goods and Services Tax was implemented in the country from 1 July 2017. GSTN is providing the technology backbone for the implementation of Goods and Services Tax by providing a single point interface to assessees. It interfaces with the tax administration systems of Central and State Governments and other stakeholders including accounting authorities.

Audit approach was re-oriented towards leveraging the IT systems and their databases to embark on digital audit of GST revenues. The GST data access arrangement was finalised with the Government and the data led approach formalised in the department. This has standardised the

approach to GST Audit across all the 9 Central GST Audit Offices as well as the 31 State GST Audit Offices.

The data led approach has resulted in enhancing audit outcomes and their acceptability by the Executive. Apart from the substantial increase in the revenue implication of the audit findings reported, the Department has initiated remedial measures *inter alia* in the areas cited in the Audit Reports. The data entry error in the audit sample have come down from 17 *per cent* as seen in first phase of compliance audit of GST returns to about 6 *per cent* in the second phase of audit due to improved validations in the system.

1.4.6 Follow Up on Audit Findings and Recommendations

ISSAI 10 prescribes that SAI should have independent procedures for follow up to ensure that audited entities properly address their observations and recommendations and that corrective actions are taken. Regulations on Audit and Accounts 2020 stipulate that the Secretary to Government of the concerned Department shall cause preparation of self-explanatory Action Taken Note(s) on the audit paragraph(s) relating to his/her Department, that are included in the audit report, for submission to the Public Accounts Committee/Committee on Public Undertakings.

An Action Taken Note (ATN) states -

- Whether facts and figures in the audit report are acceptable;
- Whether circumstances in which the irregularity pointed out by audit occurred;
- Action taken to fix responsibility and likely timeframe for its completion;
- Current status of recovery;
- Action taken or proposed to be taken on suggestions and recommendations made by audit; and
- Remedial action taken or proposed to be taken to avoid recurrence of similar lapses in future.

During 2024-25, 1,889 ATNs were received from the Ministries/Departments of the Union (1,043 ATNs) and State Governments (846 ATNs). During the year, 3,010 ATNs (Union-1,131 and State-1,879) were vetted which included ATNs that were received prior to 2024-25 but vetted during 2024-25 by offices of SAI India. 1,428 ATNs (638 ATNs from Union Government and 790 ATNs from State Government) were settled during the year. 8,011 ATNs (742 pertaining to Union Government and 7,269 pertaining to State Governments) were pending for settlement even after vetting at the end of March 2025. Further, 6,818 ATNs (Union Government- 545, State Governments- 6,273) were not submitted even once by the Governments, as on 31 March 2025. Consequently, Audit could not verify the remedial action taken or proposed to be taken to avoid recurrence of similar lapses in future.

CHAPTER-2

Fulfilling our Accounts mandate

The duties and powers of the CAG, in relation to the accounts of the Union and States, are laid down in Article 149 of the Constitution of India read with Sections 10, 11 and 12 of the CAG's DPC Act, 1971. The CAG is responsible for compilation and preparation of accounts of State Governments (other than NCT of Delhi, Goa and Puducherry), maintenance of General Provident Fund (GPF) accounts in 20 States, authorisation of pension payments of State Government employees in 19 States, Gazetted Entitlement (GE) functions in nine States and cadre control of the Public Works Divisional Accountants in 18 States (Details are furnished in **Table II.2.1** at the end of this Chapter). In addition to monitoring the performance of offices of the Accountants General (A&E), the Government Accounts (GA) wing under Deputy CAG (Government Account & Chairperson GASAB)'s charge, also renders advice under Article 150 of the Constitution, mainly involving the opening of new Heads of Accounts, Forms, Procedures and Rules of Accounting for the Union Government and State Governments.

In addition, the GA wing had also been entrusted with the task of preparing the Combined Finance and Revenue Accounts (CFRA), which is a compendium of all the Finance Accounts of the Union and the State Governments. This task has been assigned to Punjab office. The Haryana office audits the CFRA compiled by the Punjab office. In a first of its kind, an Annual Conference of State Finance Secretaries under the aegis of the CAG was organised by the GA wing in October 2024.

2.1 Performance related to Account's function

2.1.1 State Principal Accountants General (PAsG)/Accountants General (AsG) (Accounts & Entitlement) prepare the Annual Finance and Appropriation Accounts of the respective States, which, after certification by Audit, are signed by the CAG for being laid in the State Legislatures.

2.1.2 Besides the Annual Accounts, various MIS reports relating to Monthly Civil Accounts and Expenditure figures are provided to the State Governments regularly. Annual Accounts at a Glance are also prepared by PAsG/AsG (A&E) for forwarding to the State Governments, which gives a broad overview of Finance and Appropriation Accounts and also the fiscal indicators over a period of five years.

2.1.3 Timeliness of Accounts

i. Finance and Appropriation Accounts

The Finance and Appropriation Accounts for the year 2023–24 of all 28 States were duly certified by March 2025. Of these, the Accounts of 24 State Governments were tabled in their respective State Legislatures before or during the Budget Session for the financial year 2025-26. Notably, in 10 of these States, the Finance and Appropriation Accounts for 2023-24 were laid during the Winter Session.

ii. Monthly Civil Accounts (MCA)

296 accounts (81 *per cent*) out of 364[2] monthly civil accounts of 28 States, were

[2] *28 States x 13 Accounts in a year including March (Supplementary) Accounts*

rendered by the A&E Offices on time during 2024-25. There were delays in rendering the remaining accounts, which were mainly due to late receipt of accounts from Treasuries/Divisions/other Accounts Rendering Units (ARUs) of the State Governments and in few cases, due to technical glitches at State Government end or local issues.

iii. Advancing timeline for date of closure of MCA

GA Wing is monitoring timely closing of MCA in respect of 28 States and thereafter, hosting of Monthly Key Indicators (MKIs) in CAG's Website. During the year, GA Wing focused on advancing timelines for rendering MCA to the State Governments from existing target date of 25th of the following month. For this, it engaged with RBI and State Finance Secretaries. As a result of this initiative, 10 PAG/AG (A&E) offices were able to close MCA of State Governments by 10th of the following month during the year 2024-25.

iv. Joint Workshops with Synchronisation Wing

Region-wise Joint Workshops (virtual and in person) were conducted by GA Wing with Audit verticals and Synchronisation Wing for the A&E and Audit Offices. Officers from Audit and Accounts verticals attended these Workshops, which were held during the months of July 2024 and August 2024 i.e., after closing of Annual Accounts 2023-24 of State Governments. The objectives of these workshops were to facilitate timely preparation and certification of State Annual Accounts, building capacity through experience sharing, resolution of public finance and accounting issues across the table, strengthening the audit processes for Financial Attest Audit and improvement in the quality of State Finance Audit Reports (SFARs).

2.1.4 Combined Finance and Revenue Accounts

The CFRA of the Union and State Governments is an informative compilation that integrates important information pertaining to the accounts of the Union, Union Territories and all the States for a year, together with their balances and outstanding liabilities and other information as to the financial position. CFRA is published annually and is useful to several stakeholders as it consolidates the financial position of the Union and the States in one place.

The CFRA statements comprising three volumes are compiled by AG (A&E) Punjab and audited by the AG (A&E) Haryana. "Union and State Finances at a Glance" is also prepared to complement the CFRA Statements. The CFRA 2020-21 was signed by the CAG in September 2024 and hosted on the website of CAG.

An interactive dashboard with CFRA data for a period of five years up to 2019-20 for the Union/States and UTs is available on the CAG website[3]. Updation of dashboard for the data of CFRA 2020-21 is under process.

[3] http://cag.gov.in Accounts Dashboard for Union and State Finances

2.2 Technical Upgrade of the VLC and New Accounting Application

During the year, GA wing initiated work related to Technical Upgrade of the VLC and New Accounting Application. Technical upgrade of VLC includes server replacement and Oracle version updates to its latest version. CAG has also, in August 2024, approved proposal for a new Accounting Application to replace the existing VLC. GA Wing is actively monitoring and facilitating the implementation process in collaboration with the IS Wing, through the mechanism of Project Implementation Committee (PIC) and Project Steering Committee (PSC).

2.3 Strengthening Public Financial Management -Conference of Finance Secretaries

As per the Strategic Plan 2023-30 (Strategy 9), GA wing is to 'Strengthen Public Financial Management especially in States and add value to the audit function through financial information analysis and analytics'.

To take this objective further, the First Conference of the State Finance Secretaries was held on 8 October 2024. In the day-long conference, papers were presented by the officers of GA wing and deliberations were held on various issues viz., (i) Annual Publication on State Finances, (ii) Advancing timelines for preparation of MCA, (iii) Rationalisation & harmonisation of Primary unit of Appropriation/Object Heads, (iv) Review of practices relating to Grants-in-Aid and Utilisation Certificate in States. Post the Conference, three Working Groups were formed for examination of the issues and proposing actionable decisions/recommendations at various levels. The Conference is now institutionalised and is to be held as a yearly event of the GA Wing with participation of State Finance Secretaries, CGA, CGDA, RBI, PAsG/ AsG of field offices and officers from GA Wing Officers to take forward the emergent issues related to Public Finance and Accounts.



CAG attending the First Conference of the State Finance Secretaries

2.4 Stakeholders engagement

2.4.1 Engagement with 16th Finance Commission

The Government Accounts Wing also coordinated CAG's interface with the 16th Finance Commission. In the meeting with the 16th Finance Commission in March 2025, a number of issues



Meeting with the 16th Finance Commission in March 2025

relating to Union and State finances, Local Bodies, Central and State PSUs were deliberated upon and the view of CAG on broader fiscal federal issues were articulated.

2.4.2 Stakeholders' consultation on CAG's Annual Publication on State Finances

A meeting of the stakeholders was held in July 2024 at the Office of the CAG of India, New Delhi, for consultation on the CAG's proposed Annual Publication on the State Finances. The meeting was chaired by the Comptroller and Auditor General of India. The Publication envisages multi-layer inter-temporal data on State finances at one place. Key Fiscal parameters for all states relating to receipts, expenditure, debt, deficits etc. would be reflected therein.



Meeting of the stakeholders held in July 2024 at the Office of the CAG of India

2.4.3 Proactive engagement with stakeholders of State Government

During 2024-25, various Workshops/Seminars were held in different States of India to address capacity building issues relating to public finance and accounts among the State Government personnel. Some instances include:

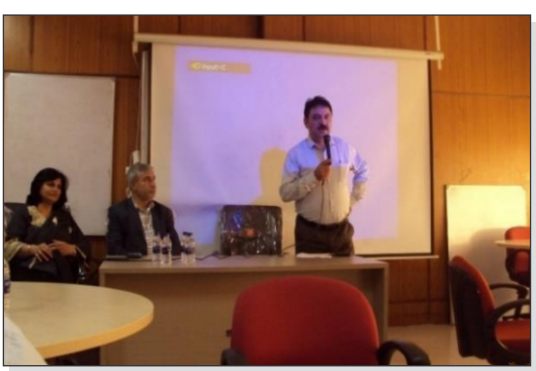
Sl. No.	State	Summary of Activities
1.	Haryana	Organised three Workshops with Treasury Officers, DDOs and PWD officials in July and November 2024 to address outstanding DC bills and UCs, missing voucher issues and their digitisation, reconciliation and e-Kuber failed transactions.
2.	Jammu & Kashmir	Held Workshops in August and September 2024 with Director General Accounts and Treasuries and Director Finance of various Administration departments to clear outstanding AC bills and UCs.

Sl. No.	State	Summary of Activities
3.	Kerala	Conducted online reconciliation training for Local Self Government officials in July 2024 and Divisional Accountants in February 2025; enabled access for Treasury and Finance Departments to view the reconciliation status reports.
4.	Telangana	Conducted a Workshop on online reconciliation of Receipts and Expenditure figures with CCOs.
5.	Gujarat	Held two Workshops in February 2025 with Treasury Officers on reconciliation and Monthly Civil Account rendering.
6.	Rajasthan	Organised a two-day Workshop in February 2025 on misclassification issues and DDO bank account data in IFMS/VLC, with participation from AG (A&E) officials.
7.	Tripura	Held a Seminar on accounting issues with State Finance/Revenue Department in November 2024.
8.	Tamil Nadu	The A&E office conducted a Seminar in November 2024 for sensitising DDOs/Treasury officials and a two-day Workshop in March 2025 with CCOs on reconciliation and pending UCs.





Seminar on Sensitisation and Strengthening of Accounts and Entitlement function by Tamil Nadu office





Workshop on Account related issues conducted by Jammu & Kashmir Office

2.5 Monitoring performance of offices through quarterly KRA reports

Each A&E office submits a quarterly report to Headquarters detailing its performance against defined Key Result Areas (KRAs) across all functional domains - Accounts, GPF, Pension, and Gazetted Entitlement (GE). These reports also include supplementary information such as manpower position, data pertaining to Treasuries, Divisions, DDOs, volume of vouchers processed and status of court cases.

The GA Wing undertakes a detailed analysis of the KRA reports received from all 31 A&E offices. The reports are assessed based on a prescribed grading scheme. Areas of concern are highlighted through regular correspondence with the concerned PAG/AG, along with necessary directions for corrective action.

A consolidated quarterly report is also prepared for submission to the Deputy Comptroller and Auditor General (Government Accounts & Chairperson, GASAB). Based on the review, actionable suggestions for improvement are communicated to the respective PAsG/AsG. The KRA framework has led to notable enhancements in the efficiency and effectiveness of A&E offices.

2.6 Treasury Inspections

PAsG/AsG (A&E), being the compiler of State Government Accounts, examine the internal control mechanism in Treasuries through Treasury Inspections. The objective of a treasury inspection is to seek an assurance that various checks and procedures prescribed for the preparation of initial accounts, payment of salary, pensions etc., are being duly complied with by the treasuries. Treasuries in almost all the States are computerised.

During 2024-25, inspection of 1,943 treasuries/sub-treasuries was carried out against the total planned 2,007 treasuries/sub-treasuries. As a result of these inspections, 1,781 Inspection Reports were issued wherein 4,875 recommendations were made by A&E offices.

2.6.1 Results of treasury inspections

The treasury inspections during 2024-25 revealed a number of deviations relating to compliance with State's financial/entitlement rules, weak internal control mechanism which impact the financial management of the States. Some of the instances are given below:

Sl. No.	State	Issues observed and highlights
1.	**Andhra Pradesh**	Duplicate payments with respect to pensions in 21 instances, involving payment of ₹ 1.50 crore twice to unauthorised beneficiaries, came to notice. Officials from treasury (Avanigadda) were suspended and FIR has been filed against the officials.
2.	**Chhattisgarh**	Amount of ₹78.21 lakh was paid to the vendor by the Additional Collector, Tribal Development, Raigarh, without deducting TDS (Tax Deducted at Source) under Raigarh Treasury.

Sl. No.	State	Issues observed and highlights
3.	**Odisha**	Doubtful payment of ₹ 22.84 lakh, while settling failed transactions, under Sambalpur Treasury and Special Treasury, Bhubaneswar was observed.
4.	**Maharashtra**	Amount of ₹ 430.95 crore and ₹16.04 crore was lying undisbursed in the bank Accounts of DDOs under jurisdiction of Raigad Treasury and Dhule Treasury respectively.
5.	**Telangana**	Irregular drawl of ₹ 1.54 crore, as additional quantum of Pension, Dearness Relief and Medical Allowance, towards ineligible pensioners was observed.
6.	**Tamil Nadu**	Non-deduction of subscription fee of ₹ 80.86 lakh towards National Health Insurance Scheme (NHIS) from pensioners/special pensioners (Village Assistant Pensioners) was noticed.
7.	**West Bengal**	Excess discount of ₹ 40.67 lakh was allowed to the licensed stamp vendors.

2.7 Performance with regard to Entitlement Functions

A&E offices across the country have consistently undertaken efforts to enhance satisfaction levels among pensioners, GPF subscribers and Gazetted Entitlement officers. This has been achieved by streamlining entitlement functions and expediting the disposal of cases related to final GPF payments, pension authorisations, and issuance of pay slips. The transition to electronic data transfer, including e-authorisation has significantly reduced the time taken for disposal of cases in several offices. All efforts were made to adhere to the timeframes for disposal of cases as laid down in the Citizens' Charter. Online complaint redressal mechanisms are functioning in most A&E offices.

2.7.1 Information related to Entitlement functions

Information relating to the status of Pension, GPF and GE functions is available on the websites of respective AG offices, through SMS based services, where details have been provided by the employees of the State Governments to the offices and in few States through Interactive Voice Response System (IVRS). This enables the concerned stakeholders and other visitors to view information uploaded on the respective State AG's websites, receive intimation through SMS and through IVRS as well.

2.7.2 Pension cases finalised

The function of pension authorisation is being carried out by 20 A&E offices. These offices finalised a total of 4,79,288 cases of Original and Pension Revision during 2024-25. The State-wise details of total pension cases received and finalised during 2024-25 are given in **Table II.2.2** at the end of the chapter. As per the Citizens' Charter, original pension cases are to be finalised within 30 working days from the receipt of the case complete in all respects in the AG office. The average time taken for finalisation of pension cases was within the prescribed timeline in Andhra Pradesh, Assam,

Haryana, Jammu & Kashmir, Jharkhand, Kerala, Maharashtra-I, Maharashtra-II, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Tamil Nadu, Telangana, Tripura and West Bengal. In the remaining States, average time taken for the finalisation of Pension cases was more than 30 days, mainly due to wanting of information from the concerned State Departments concerned, receipt of revision cases in bulk or other operational hindrances like shortage of manpower.

2.7.3 Maintenance of GPF Accounts

In 20 States, 22 A&E offices are responsible for the maintenance of GPF accounts of the State Government employees. These offices maintained 24,04,705 GPF accounts during 2024-25. Due to introduction of National Pension Scheme by the State Governments from 2004 onwards, there has been a reduction of 5.66 *per cent* subscribers (last year total number of subscribers were 25,48,995) in comparison to the previous year.

2.7.4 Finalisation of GPF Final Payment cases

During 2024-25, out of 1,97,990 cases due for final payment of GPF, the A&E Offices finalised 1,90,437 final payment cases (96.19 *per cent*) within the prescribed time limit (one month from the date receipt of case complete in all respect).

No. of GPF final payment cases due in 2024-25	No. of final payment cases finalised
1,97,990	**1,90,437**

2.7.5 Proactive engagement with stakeholders

During 2024-25, various Pension/GPF Adalat/Workshops were held in different States of India for pensioners and subscribers. These events aimed to address pensioners' grievances, provide pre-retirement counselling and improve service delivery to pensioners and subscribers. Some instances include:

Sl. No.	State	Summary of Activities
1.	Andhra Pradesh	Conducted two Pension Workshops (Tirupati and Machilipatnam) and held three Pension Adalats and five GPF Adalats at the district level.
2.	Karnataka	Held awareness training programmes for Pension Sanctioning Authorities including two exclusive sessions for the Police Department in Bengaluru.
3.	Odisha	Conducted four Pension Adalats during FY 2024–25 to resolve pensioner grievances, promote online pension processes and settle pending gratuity cases.

Sl. No.	State	Summary of Activities
4.	Punjab	Held Pension Adalats in six districts in November 2024, focusing on resolving pension/ family pension-related grievances, mostly on the spot.
5.	Meghalaya	Conducted a Pension Workshop with the State Government in November 2024.
6.	Tripura	Held a Workshop in March 2025 on GPF and Pension matters with DDOs.





Pension Workshop at DTAO-Machilipatnam and Pension & GPF Adalat in Rajahmundry conducted by Andhra Pradesh office



GPF Adalat conducted by Gwalior Office



Pension Adalat at Patiala conducted by Punjab Office



Training at Police Commissioners Office, Bengaluru





Pension Adalats conducted by Odisha Office

2.8 Web-based Grievance Redressal Mechanism in CAG's website

The SAI India has a centralised Web-based Greivance Redressal Mechanism for registering grievances online. GPF subscribers/Pensioners can register complaints online or through e-mails to the concerned A&E offices. All the links related to grievance redressal system are available on CAG's website[5]. On lodging the grievance, the system automatically generates a unique registration number of the grievance and sends an SMS to the complainant for further reference.

During 2024-25, total 1,489 grievances (offline and online) were received in the office of CAG from State pensioners/subscribers, of which, 1,428 were redressed within the timeframe of the Citizens' Charter. The remaining grievances pending for disposal were within the prescribed period (30 working days) of Citizens' Charter. A report on grievances received and redressed is submitted to higher authorities on monthly/quarterly basis.

2.9 SAMADHAN - Grievance Redressal System in Odisha

A web-based module titled 'SAMADHAN' was developed as part of the ongoing Enterprise Resource Planning (ERP) initiative, EASE - E-Administration Solution for Employees of State Government of Odisha. The application was inaugurated on 31 December 2024 and made operational from 1 January 2025.

Initially conceptualised to digitise the grievance register maintained by the Grievance Redressal (GR) Cell, SAMADHAN has steadily evolved into a robust, end-to-end grievance redressal platform. Its key features include:

- Complete digitisation of the grievance redressal workflow, enabling a fully paperless process.
- Bilingual acknowledgement of receipts to assist in effective follow-up and communication.
- An intuitive dashboard with modern user interface for streamlined sorting, filtering, and navigation.

[5]https://cag.gov.in/en/page-entitlement-grievance

- Online resolution capability, with provisions to forward grievances to relevant sections or personnel.
- Section-wise tracking of grievances to strengthen accountability and enable better monitoring.
- A unified grievance tracking system, integrating data from multiple sources - including the grievance cell, email, CPGRAMS, Dak, AG websites, and communications from Headquarters.
- AI-powered analytics to identify trends, recurring issues, and potential areas of concern.

It is a mobile-friendly progressive web application. It is built using open-source technologies, multi-office support, facilitating on boarding of various offices with data segregation through distinct database schemas. It is designed as Software as a Service, and the module can be replicated in other States.

Table II.2.1
Functions with State Accountants General (A&E)

Accounts	General Provident Fund	Pension	Gazetted Entitlement	DA cadre control
1. Andhra Pradesh 2. Assam 3. Arunachal Pradesh* 4. Bihar 5. Chhattisgarh 6. Gujarat 7. Haryana 8. Himachal Pradesh 9. Jammu & Kashmir 10. Jharkhand 11. Karnataka 12. Kerala 13. Madhya Pradesh$ 14. Maharashtra$ 15. Manipur 16. Meghalaya 17. Mizoram* 18. Nagaland 19. Odisha 20. Punjab 21. Rajasthan 22. Sikkim 23. Tamil Nadu 24. Telangana 25. Tripura 26. Uttar Pradesh$ 27.Uttarakhand 28. West Bengal	1. Andhra Pradesh 2. Assam 3. Chhattisgarh 4. Gujarat 5. Haryana 6.Himachal Pradesh 7. Karnataka 8. Kerala 9. Madhya Pradesh 10. Maharashtra 11. Manipur 12. Meghalaya 13. Nagaland 14. Odisha 15. Tamil Nadu 16. Telangana 17. Tripura 18. Uttar Pradesh 19. Uttarakhand 20. West Bengal	1. Andhra Pradesh 2. Assam 3. Bihar 4. Haryana 5. Himachal Pradesh 6. Jammu & Kashmir 7. Jharkhand 8. Karnataka 9. Kerala 10. Maharashtra 11. Manipur 12. Meghalaya 13. Nagaland 14. Odisha 15. Punjab 16. Tamil Nadu 17. Telangana 18. Tripura 19. West Bengal	1. Assam 2. Bihar 3. Jharkhand 4. Karnataka 5. Kerala 6. Manipur 7. Meghalaya 8. Nagaland 9. Tamil Nadu	1. Arunachal Pradesh* 2. Bihar 3. Chhattisgarh 4. Gujarat 5. Haryana 6. Himachal Pradesh 7. Jharkhand 8. Madhya Pradesh$ 9. Maharashtra$ 10. Manipur 11. Odisha 12. Punjab 13. Rajasthan 14. Tamil Nadu 15. Tripura 16. Uttar Pradesh$ 17. Uttarakhand 18. West Bengal

*These offices are composite offices for A&E and audit functions.

$ Madhya Pradesh, Maharashtra and Uttar Pradesh have two A&E offices. AG (A&E)-II, Madhya Pradesh has only GPF functions.

Table II.2.2
State-wise finalisation of Original Pension cases and Revision of Pension cases during 2024-25

Sl. No.	Offices	Pension cases received (including opening balance)	Pension cases settled	Revision cases received (including opening balance)	Revision cases settled
1	Andhra Pradesh	14,679	13,818	4,546	4,480
2	Assam	15,784	15,783	778	765
3	Bihar	22,062	19,968	47,180	42,894
4	Haryana	11,395	10,923	9,127	8,965
5	Himachal Pradesh	14,930	13,998	38,029	30,735
6	Jammu & Kashmir	15,324	15,275	8,723	8,707
7	Jharkhand	9,118	8,742	4,841	4,716
8	Karnataka	27,585	26,131	33,776	26,351
9	Kerala	20,918	20,403	4,685	4,607
10	Maharashtra-I	27,045	27,045	15,362	15,362
11	Maharashtra-II	21,146	21,146	12,300	12,300
12	Manipur	3,027	2,563	395	308
13	Meghalaya	2,764	2,762	255	255
14	Nagaland	4,486	4,434	3,272	2,598
15	Odisha	12,444	11,783	2,307	2,190
16	Punjab	16,929	16,929	11,213	11,156
17	Tamil Nadu	27,981	25,872	13,304	12,909
18	Telangana	8,380	7,904	1,145	1,110
19	Tripura	5,155	4,678	126	126
20	West Bengal	17,848	15,676	2,955	2,921
	TOTAL	**2,99,000**	**2,85,833**	**2,14,319**	**1,93,455**
Total cases received (Original Pension cases and Revision pension cases)		**5,13,319**			
Total cases settled		**4,79,288**			

CHAPTER-3

Strategic Plan of SAI India - 2023-30

The public sector in India is witnessing rapid changes in governance mechanisms - the manner in which business is conducted, services are delivered, information is processed and risks are managed. To keep pace with the changing ecosystem, we have developed and adopted our Strategic Plan[1] for the period 2023-30. It aims to transform, standardise and institutionalise our processes to enable us to achieve our mandate with greater efficiency and effectiveness. It comprises 10 strategies under four broad Goals to address our core functions as well as our internal processes.

Strategy Managers in respect of each of the 10 Strategies have been nominated to put in place a framework for monitoring the implementation of the strategies. A Strategic Plan Monitoring Committee with Deputy Comptroller and Auditor General (HR, IR, Coord. & Legal) as Chair and the Strategy Managers as other members has also been constituted to holistically monitor the progress in implementation of the Strategic Plan.

Successful implementation of the strategic plan will aid us in fulfilling our organisational objectives of providing assurance through high quality auditing, promoting accountability and good governance and providing astute insights to the government. The Goals and Strategies are briefly discussed below:

▸ Goal 1 - To Promote Good Governance and accountability through Professional and Effective Public Sector Audit

The first Strategic Goal is aimed at streamlining our processes to enhance quality of auditing and reporting, so as to achieve meaningful audit outcomes. Under this Goal we have devised the following five strategies, aimed at adopting improved practices in audit planning, execution and reporting so as to provide better value and timely impact through improvements in quality of auditing and reporting.

• Strategy 1 - Making the Audit Planning process more effective by creating a medium three-year term audit plan

The strategy is to focus on one key theme that is most relevant from a citizen centric point of view, and covering that sector in audit planning and implementation through audits spread over a three-year period. Timely alignment of audit to the relevant Sustainable Development Goal is an important consideration in this approach. The key deliverables will be multiple Audit Reports over the plan period followed by a sectoral compendium. Based on this strategy, Blue Economy was chosen as the focal area and several audits relating to this domain are being taken up over a three year period.

Based on the Audit Reports on Blue Economy to be brought out during this period, a sectoral compendium on Blue Economy is planned to be published by the end of 2028.

• Strategy 2 - Mainstreaming Local Government Audit

The Local Government forms the third tier of governance and implements a vast majority of Central Schemes, Centrally Sponsored Schemes and State Schemes. Recognising the need to assess

[1]Strategic Plan of SAI India for 2023-2030: https://cag.gov.in/uploads/media/project_flip_book/index.html

the performance of local governments in the delivery of benefits at the ground level, we have developed this strategy to mainstream and augment the audit of Local Governments.

In view of this strategy, we have taken various initiatives to strengthen our processes and capacities related to Local Government Audit including stakeholder engagement.

Preparation of separate CAG's Audit Report for Local Government in all States[2] has been planned. To provide a more holistic and nuanced view of the functioning of local governments, encompassing both *Panchayati Raj* Institutions and Urban Local Bodies, a new template of the CAG's Audit Report on Local Government has been introduced in April 2024, with a chapter on District-Centric Audits, aimed at presenting a comparative local governance and service delivery perspective in different districts of a State.

Proactive engagements with stakeholders have been taken up (i) for providing effective Technical Guidance and Support (TGS) by the CAG to primary auditors of Local Governments, and (ii) creation of separate Committees/Sub-Committees in State Legislative Assemblies to discuss CAG's Local Government Audit Reports/ Annual Technical Inspection Reports. Comprehensive guidelines for conduct of TGS by our Field Audit Offices have been issued.

A Compendium of Performance Audits on the Implementation of 74th Constitutional Amendment Act (CAA), 1992: Landscape across India, Volume I was released in November 2024.

SAI India in collaboration with the Institute of Chartered Accountants of India has developed a set of online[3] certification courses to create a pool of Certified Accountants trained to maintain accounts of Local Governments. A total of 191 candidates have qualified and are certified to discharge accounting functions in Local Governments. Further, an MoU was signed with Centre for Research in Schemes and Programmes in November 2024, to collaborate for convergence of Performance Audits being conducted by the CAG with the Social Audits conducted by stakeholders assisted by state-level Social Audit facilitating teams.

- **Strategy 3 - Ensuring enhanced quality of audit by peer review/ technical audit**

The objective of this strategy is to ensure high quality performance in sync with prescribed guidelines as well as best practices, across the Institution, through peer reviews and technical inspection. The intent is to ensure enhanced quality of audit and percolation of the consequent learning through the entire organisation and especially to the cutting edge.

Towards implementation of this strategy, formulation of various guidelines and checklist and other initiatives have been taken up. Guidelines for Peer Review of our Audit Offices have been issued. Further, preparation of concise guidelines for Technical Inspection as supplementary to the Peer Review Guidelines has been taken up. Peer Review Guidelines for Accounts & Entitlement Offices is also under formulation. Important findings/shortcomings noticed during the Peer Reviews are disseminated to all the offices for taking suo-moto remedial action.

[2]Except in case of eight small States (Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Goa), where the CAG's audit observations on Local Governments would appear as a distinct chapter in the CAG's Civil Audit Reports.

[3]Link: https://lba.icaiarf.org.in/

- **Strategy 4 - Making Action Oriented Effective Recommendation in Inspection Reports and Audit Reports so that monitoring and follow up are done more aggressively**

Audit Reports which point out deficiencies with recommendations of the auditor as to what should be done in order to rectify these deficiencies, after studying the root causes for the deficiencies, are more likely to be acted upon and followed up.

In this light, this strategy envisions that for efficient monitoring and follow up of Audit observations, SAI India should adopt recommendation based reporting in its Audit products.

Formulation of appropriate guidance note for implementation of this strategy is in progress.

- **Strategy 5 - Creating institutional arrangements for Knowledge Management and Sharing**

For conducting audit and for expressing fair audit opinions, current information and knowledge are corner stones for any SAI. With increased digitisation and availability of data across numerous platforms, there is a need to collate all such knowledge under one system so that such knowledge could be easily retrieved and exploited more effectively. This strategy, thus, envisages setting up a formal and structured Knowledge Management System within SAI India that will facilitate easy acquisition, analysis, communication, utility and sharing of knowledge within the organisation.

A Centralised Knowledge Repository (CKR) of SAI India is under development. The CKR aims to streamline the flow of knowledge in SAI India and timely updating of C&AG's knowledge resources, to create a well organised, easily accessible and comprehensive knowledge repository. CKR is expected to contribute towards enhancing the efficiency and effectiveness of SAI India by facilitating better informed decision-making, structured knowledge sharing, and organisational learning.

Nomination of Sectoral Knowledge Officers (SKOs) and knowledge centres is under process. Once nominated, SKOs would be tasked with identification and acquisition of knowledge resources in their sectors, and contribute to the repository, and also act as head of Knowledge Centres in their respective domains.

Various lectures/seminars/workshops on different topics were conducted during 2024-25 with the aim of building up knowledge base.

- **Goal 2 - To enhance public outreach and communication with stakeholders**

This Strategic Goal has been determined entirely around our stakeholders; with the intention of widening our outreach with them and harnessing our strengths to provide value to their functions. Three strategies have been designed towards fulfilment of this goal. The strategies are as below:

- **Strategy 6 - Introducing and expanding use of value added audit products like Departmental Appreciation Notes (DANs), Management letters, study reports, compendia etc., so that they act as 'Aids to Management'**

This strategy envisions preparing newer audit products, in addition to our Audit Reports, which would facilitate a more comprehensive understanding of issues at the granular level. The range of information, knowledge and analysis available with SAI India is proposed to be used to develop specific tailor made value added products for our stakeholders which will assist them in taking informed decisions on major issues of concern in audit. The definition of value-added products of SAI India has been determined.

- **Strategy 7 - Celebrating occasions like Audit Diwas to engage more closely with stakeholders (Communication Policy)**

Globally, SAIs have acknowledged the importance of engaging with stakeholders in a bid to increase their knowledge and understanding of the role and responsibilities of the SAI and to ensure understanding of the SAI's audit work and results. Such engagement helps in understanding expectations of our stakeholders and helps build their trust in our contribution towards good governance. The objective of this strategy is to expand the communication and outreach of SAI India in disseminating the results of our audits as well as to highlight other facets of our functioning and SAI India's presence in international arena. We aim to enable a coherent view within SAI India regarding all aspects of communication and its outreach.

To ensure a coherent and unified approach across SAI India for all communication and outreach activities, a comprehensive Communication and Outreach Policy, along with its associated Standard Operating Procedures (SOPs) have been issued in August 2024. A visual identity for SAI India was developed by standardising the colour palette used in signage boards, hoardings, and visiting cards. Additionally, uniform design and format for our Audit Reports and other publications—including cover pages and fonts—has been adopted.

- **Strategy 8 - Proactively encouraging and engaging with Central and State Governments to build and strengthen institutional arrangements for internal audit and risk management**

Better management of risk and better internal controls in Government will go a long way in aiding the assurance that is to be given by the CAG on the accounts of the Government. This strategy, hence, intends to encourage and facilitate the Central and State Governments in building and strengthening institutional arrangements for internal audit and risk management.

Suitable way forward has been identified for implementation of this strategy. It has been decided to (i) collect information about various types of internal audit and risk assessment mechanisms/structures existing at State/Union Government level; (ii) map these existing structures with the structures/methodologies prescribed by International Organisation of Supreme Audit Institutions (INTOSAI) and other such Government bodies; and (iii) identify the gaps and devise mechanisms to plug these gaps in the existing structures.

Goal 3 - To add value in Public Financial Management, Accounts and Entitlement Functions

This Goal comprising of a single strategy aims to harness the financial data available with our accounts and entitlements vertical to strengthen Public Financial Management and add value to the audit function through financial information analysis.

- **Strategy 9 - Transforming Accounts and Entitlement offices into analytics platforms for adding value to the audit function and supporting financial information analysis**

Accounts and Entitlement (A&E) offices of SAI India are the first touch point of the State Governments in the Public Financial Management space. Integrating A&E offices with State Systems and the IT revolution improves access to financial information flows and big datasets.

The strategy is to transform A&E Offices into analytics platforms that would produce outputs to aid Public Financial Management and continuously provide inputs to support the audit function. IT enabled continuous improvements would further drive service delivery of the entitlement functions.

As part of strengthening Public Finance Management, the first Conference of the State Finance Secretaries was held on 8 October 2024. Further, technical upgrade of Voucher Level Computerisation system has been taken up. Various initiatives have also been taken to advance the timelines of compilation and preparation of accounts of States. To improve financial literacy of State government officials, workshops for DDOs/CCOs, Treasury Officers and Budget Officers are regularly being organised by our Accounts & Entitlement Offices.

Goal 4 - To strengthen IT resource Management within the Supreme Audit Institution of India

This strategic goal envisions strengthening of our internal processes by leveraging Information Technology in different functional areas. The following strategy has been designed to achieve this goal.

- **Strategy 10 - Leveraging Information Technology to drive higher performance in SAI India**

We have achieved a major milestone by successfully on-boarding all our audit offices on the One IA&AD One System (OIOS) platform for complete audit process automation. This strategy, further, outlines the way forward for 2023-30 for upgrading the existing IT infrastructure in the organisation and to strengthen our IT based capabilities in different functional areas viz.,

- Audit - Audit Process Automation, Data Analytics and IT audits;
- Entitlements;
- Accounts and other A&E applications;
- Administration and other related areas; and
- IT infrastructure

Leveraging Information Technology for improving work processes and outputs is a constant endeavour of SAI India. Appropriate actions are being taken towards implementing this strategy.

Various Data Analytics tools are being used/explored for auditing and adequate training for using these tools are being imparted to our personnel. Collaborations with premier Centres of Excellence like IIT Delhi, BISAG-N, IIT-Madras have been entered with the aim and plan to implement various initiatives, focusing on use of Artificial Intelligence systems, capacity building and knowledge sharing. A Post Graduate Diploma course has been introduced for AAO and above through IIT Madras. A High Performance Computing Centre have been hosted at CAG office. Various initiatives have been taken towards strengthening Information Systems Audit. Upgradation of the existing VLC system has been initiated. Upgradation of LAN for more efficient and secure network has been completed in most of the offices. e-Office application has been implemented in all the offices.

Section 3

Recent strides

Chapter 1
Development of guidances

Chapter 2
Capacity Building

Chapter 3
Internal controls and Quality Assessment

Chapter 4
Our IT Initiatives

Chapter 5
Audit Diwas 2024

Chapter 6
Other activities, no less important



Statue of Sardar Vallabh Bhai Patel in the CAG office premises

CHAPTER-1

Development of Guidances

Professional Standards are the edifice to quality accounting and auditing. We are conscious of the significance of Professional Standards and Practices both for Government Auditors and Accountants. These provide guidance to be followed under diverse situations by all the practitioners and serve as benchmarks for the quality control and quality assurance processes. The Auditing Standards of SAI India envisage that the SAI should have an appropriate quality assurance system in place.

1.1 Government Accounting Standards Advisory Board (GASAB)

The CAG, in consultation with Government of India, constituted the Government Accounting Standards Advisory Board (GASAB) in August 2002. Its mission is to formulate and recommend accounting standards with a view to improve Government Accounting and financial reporting to enhance public accountability and quality of decision-making. The new priorities focus on good governance, fiscal prudence, efficiency and transparency in public spending.

GASAB consists of 15 members with high-level representation from the Government (Union and State), professional accounting institutes, Reserve Bank of India.

GASAB develops two kinds of standards:

(i) Indian Government Accounting Standards (IGAS) which are based on cash based accounting system. They are mandatory for application by the Union, States and the Union Territories with legislature from the date of notification by the Government; and

(ii) Indian Government Financial Reporting Standards (IGFRS) based on accrual based accounting systems which are recommendatory. These were developed as there was a need for accounting framework and accounting standards on accrual basis to facilitate pilot studies and research efforts on migration to accrual accounting at Union and State level.

1.2 Progress on Accounting Standards/ Disclosure Statements during 2024-25

1.2.1 Revision of Due Process

The functioning of GASAB had, hitherto, been guided by the 'Rules of Business' framed in the year 2011. However, to streamline and codify the functions of GASAB to make them more focused, robust and inclusive, the 'Due Process of GASAB' indicating the vision, mission, objectives of GASAB, roles and responsibilities of the Stakeholders, processes involved in the formulation of Standards and structure of Standards etc., was revised in August 2020.

The document is under revision to incorporate the perception of all members of the GASAB. The Revised Due Process was discussed in the 36th Board Meeting held on 29th June 2022 where certain suggestions were put forth by the MoF and other stakeholders. The last draft was forwarded to members of the Board in December 2023. The Due Process is in concluding stage of deliberations. Inputs has been received from Commercial Wing from Headquarters, CGA, CGDA, ICAI, RBI and MoF.

1.2.2 Preparation of IPSAS cash basis compliant financial statements

GASAB, in collaboration with the Institute of Chartered Accountants of India (ICAI), identified the following topics for preparation of IPSAS cash basis compliant statements:

(i) Contingent Liabilities;

(ii) Recognition of Revenue Receipts;

(iii) Recipients of External Assistance

The draft IGAS for Continent Liability was to be mapped with the proposed IGFRS-5 'Contingent Liabilities (other than guarantees) and Contingent Assets: Disclosure Requirements. The definition of 'Contingent Liability' in draft IGAS was to be revisited in view of IGAS-1 on 'Guarantees given by Government: Disclosure Requirements'.

The standard related to 'Revenue Recognition' is being formulated in accordance with mandatory/ recommendatory requirement of IPSAS (Cash basis).

In regard to "Recipients of External Assistance" the document is in discussion with the Office of the CGA on the issues related to opening of Major Heads and other Annexures of the document. On receipt of the final response from the CGA, the document will be finalised. CGA, in the meeting, mentioned that they had meeting with O/o the Controller of Aid Accounts and Audit (CAAA) to provide some information under two Annexures. However, it was decided that the said Annexures will be updated and GASAB section would be sending the revised draft to CGA and follow the extant Due Process.

1.2.3 Draft Standard on Reserve Funds

Reserve Funds are accumulations of funds created for specific purpose for the future and are non-lapsable. Presently, Reserve Funds suffer from various issues which include non–transfer/short-transfer of money into these funds and the diversion of funds for other than the designated purpose etc.

The Objective of this Standard is to provide guidance on the manner in which the accounting of reserve fund is to be carried out and its financial reporting so that the information on the quantum of balances under the funds, transfer of monies into the reserve funds, expenditure sourced from funds are disclosed properly. The purpose is to ensure whether the funds have been utilised for the purpose for which they were created.

The revised draft Standard on Reserve Funds is at an advanced stage of finalisation and would be shared with all stakeholders.

1.2.4 Review of Standards sent for notification but are yet to be notified

a) IGAS-1: Guarantees given by Governments: Disclosure Requirements notified in 2010 needs revision/ modification in terms of :

(i) The revised government Guarantee Policy 2022 of MoF.

(ii) Inclusion of Guarantee given by States, and

(iii) The additional Guarantee as envisaged under the FRBM Act 2003.

a) Preliminary study of IGAS-1 with relevance to the above accounting developments revealed that IGAS-1 requires revision for more transparency. Accordingly, a task force has been constituted to review the existing Standard to include disclosure on Additional Guarantee.

b) The Modified Standard viz., IGAS-2: Accounting and Classification of Grants-in-aid is being reviewed in light of the newly introduced system of Central Nodal Agency and Single Nodal Agency for disbursement of Grant-in-Aid (GIA) allocated by the Union and State Governments and Union Territories. The modification will be taken up on the basis of views drawn from wider consultation.

c) The Modified Standard viz., IGAS-3: Loans and Advances made by Governments was first notified in February 2012 and is being reviewed for further revision after taking comments from all stakeholders.

d) SAI India had proposed to review the existing pronouncements every three years to update, modify, keep the pronouncements current and reflect the changes in the Government Accounting environment. In view of the time gap since the draft Standards were sent to MoF and subsequent pendency of these Standards for the purpose of notification, it was decided to revise the following four Standards and Guidance Note, *suo motu:*

i. Foreign Currency transactions and loss or gain by Exchange Rate Variations: The revised draft incorporating the method of Prior Period Adjustment Accounts (PPAA) for depicting the Loss/Gain due to exchange rate variation under the Disclosure was issued and consultation process is underway.

ii. Disinvestment of Public Assets: The draft Standard on Disclosure on disinvestment of Public Assets was revised and suggestions of the MoF and Department of Investment and Public Asset Management (DIPAM) have been incorporated. The revised draft, after deliberations, would be presented before the Members of GASAB for approval.

iii. Public Debt and Other Liabilities of Governments: The draft would be revised as per the comments and, after thorough examination, would be further amended.

iv. Guidance Note on accounting of Fixed Assets: The Guidance Note is being considered for revision and is in the final stages of formulation.

1.3 Natural Resource Accounting (NRA) in India: An overview

Government Accounting Standards Board (GASAB) - Strides in Natural Resources Accounting:

GASAB is working proactively in an area of international importance to aid the Government's efforts in the nascent field of Natural Resource Accounting (NRA). Recognising the pressing need for India to establish a robust system for managing its natural resources, the Comptroller and Auditor General (CAG) of India has taken a leading role in this crucial area.



Sustainable development – Use for present generations without compromising the future

The System of Environmental-Economic Accounting – Central Framework (SEEA-CF) is the latest internationally accepted framework for NRA. The SEEA-CF allows flexibility in implementation of the four staged strategy and also enables scope for embedding country specific needs. Inspired by this, a Concept Paper (July 2020) was brought out which set out a comprehensive plan commencing with accounting of the finite non-renewable resources and then gradually moving towards attaining other stages of the SEEA framework converging with the Sustainable Development Goals (SDGs) target of 2030.

The action plans designed by SAI India

Short term goals	Mid-term goals	Long term goals
• Preparation of Asset Accounts on Mineral and Non-Renewable Energy Resources in States • Initiation and preparation of disclosure statement on revenues and expenditure related to natural resources. • (2019-20 to 2021-22)	• Preparation of National Asset Accounts on mineral and energy resources • Preparation of Asset Accounts in respect of other four resources namely water, land and forestry and wildlife resources in the States • Preparation of functional accounts recording transactions and other information about economic activities undertaken for environmental purposes. (2022-23 to 2024-25)	• Supply and use tables in physical and monetary terms showing flow of inputs, products and residuals; and • Preparation of the economic accounts highlighting depletion adjusted economic aggregates. (2025 - 26 onwards)

The initiatives and endeavour of GASAB in implementing NRA are discussed in the following paragraphs:

i. Continuous brainstorming - Consultative Committee and State NRA Cells: Central and State level NRA Cells were formed with stakeholder ministries in GoI/State Governments, regulatory agencies, knowledge centres and academia. The expertise of these specialists were of great advantage as GASAB collaborated with the State Governments through the Accountants General Offices in States in preparing the templates of Asset Accounts on Mineral and Energy Resources in which data is to be captured.

ii. Constant follow up and handholding: Monthly meetings with all 28 States and two UTs of Delhi and Jammu & Kashmir were held each month since October 2021 to monitor the progress of work, exchange thoughts, challenges and good practices to ensure that all the States are together in completing this time-bound exercise. This system has now been followed through monthly reports and quarterly meetings with all States and UTs for continued monitoring and support.

Ongoing works

a. Compendium of Asset Accounts on Mineral and Energy Resources for the year 2021-22

GASAB had already prepared a Compendium of Asset Accounts for the year 2020-21 and released it in October 2022. As a sequel to that the next edition of the Compendium of Asset Accounts on Mineral and Energy Resources for the year 2021-22 was released on 13 November 2024.



CAG at the release of compendium of Asset Accounts on Mineral and Energy Resources on 13 November 2024

The Asset Accounts, are designed to aid in evidence based decision-making and good governance by providing the following for the policy makers.

- Compilation of physical and monetary values of actual extractions of Mineral Resources.
- Provide pace of exploitation to bring out sustainability of resources - in years.
- Analysis of revenue vis-à-vis market value/export value will make it easier to assess and review the royalty rates to protect State's revenue interest.
- Enable assessment of new area of revenue generation in future.

- Mine-wise data on stock and flow of resources – Pan India.
- Accounting for Environmental Damages: Parallel to the Asset Accounting and in view of the Stage Three of the SEEA-CF framework, GASAB has also outlined the accounting of receipts from resource exploitations and expenditure incurred on management of resources and mitigation of environmental damages. Pilot studies were run in Assam, Gujarat, Odisha, Tamil Nadu and Telangana during 2023-24 which were successful and showed evidence that the templates designed by GASAB to capture the above inputs are practical and implementable.

b. Compendium of Asset Accounts on Water Resources for the year 2021-22

India faces several challenges in managing water resources in an economic, efficient and effective manner. The key objectives include implementing control and monitoring processes to minimise water wastage and promote the recycling and reuse of water. The challenges include water scarcity, groundwater depletion, water quality degradation, Inter-State water disputes, Climate Change Impact etc.

As part of the United Nations outlined specific goals and targets under **Goal 6: Clean Water and Sanitation** focuses specifically on Water Resources. GASAB took the initiative in obtaining water resource data from 31 States/Union Territories across India and it has since compiled them.

In the preparation of Asset Account on Water Resources guidance from members of the Consultative Committee was obtained. A meeting of the Consultative Committee was organised on 19 September 2024.



Group photo during Meeting of the Consultative Committee on 19 september 2024

The Compendium of Asset Accounts on Water Resources for the year 2021- 22 has been released on 13 November 2024.



CAG at the release of compendium of Assets Accounts on Water Resources on 13 November 2024

1.4 Audit methodology and guidance

The mandate of the Professional Practices Group (PPG) includes development, dissemination and implementation of new audit methodologies and it serves as an advisory wing for technical issues relating to audit procedures and processes. PPG adopts a consultative approach before putting in place a new procedure or initiative as also whilst revising existing procedures. PPG also provides professional inputs to national and international professional organisations on the development of new audit practices as well as internalisation of best practices within the Department by issue of new guidelines and practice notes.

During the year clarifications on existing procedures and processes were issued covering matters such as State Finance Audit Reports, quality assurance in Audit reports, standardisation of audit publications etc.

1.5 Guidance issued for audit of Local Governments

Following guidances were issued during 2024-25 regarding audit of Local Governments:

To capture the nuanced approach towards audit of service delivery at grassroots, a new template of the CAG's Audit Report on Local Government was issued by the LGA Wing in April 2024 to be used from the Audit Reports of FY 2022-23 onwards. The new format is structured to provide a more holistic and nuanced view of the functioning of local governments, encompassing both *Panchayati Raj Institutions* (PRIs) and Urban Local Bodies (ULBs). A significant addition in the revised structure is the introduction of a chapter on District-Centric Audits, aimed at presenting a comparative local governance and service delivery in different districts of a State.

CHAPTER-2

Capacity Building

2.1 Introduction

SAI India strives to constantly upgrade its professional skills and expertise through a robust system of capacity building cutting across its personnel. The training strategy is oriented towards supporting and strengthening the personnel in the performance of their roles and creating value through intensive training and knowledge sharing to fulfil the mission **"To enhance professional and institutional development".**

2.2 Capacity Building in SAI India

The objectives of SAI India with respect to Capacity building are:

- Improving domain knowledge and its translation into training material
- Sharing of knowledge and information
- Improving teaching and learning environment
- Improving learning outcomes

2.3 Training Methodology and Processes

i. Central Training Advisory Committee (CTAC) annually reviews all training activities and programmes in SAI India to ensure focus, quality and relevance. CTAC also oversees the work of Regional Advisory Committees of the Regional Capacity Building and Knowledge Institutes. The 49th CTAC meeting, chaired by Dy. CAG (HR, IR, Coord. & legal) was held on 9th April 2025 in CAG's office.

ii. Training Needs Analysis (TNA) is the first step towards a methodical approach to training and is carried out annually for effective designing of courses, implementation and evaluation of training. The TNA for the year 2024-25 was conducted through SAI CB portal for all offices of the department. Based on the TNA, RCBKIs/Cs developed their annual Calendar of Training Programmes (CoTPs) for the year 2025-26.

iii. Structured Training Module (STM) is a compact package of material and references for successfully organising a training course. It includes reading material for the participants besides guiding papers, background documents and notes to facilitate the work of an instructor. The contents for training modules are developed by a team of officers who are subject matter experts.

As on 31st March 2025, 91 STMs have been developed, peer reviewed and disseminated to RCBKIs/RCBKCs for training purposes. The following STMs were developed and approved during 2024-25:

- Audit of Construction of Road
- Defence Works under Urgency clause
- IPSAS
- Audit of Construction of Bridge
- Common Administrative Issues, Reservation Rosters, Vigilance and Disciplinary Proceedings

iv. Development of Case Studies/Research Papers

Case studies are powerful and practical tools for adult pedagogy. The case study method creates a classroom in which students learn not by simply absorbing facts and theories, but also by exercising the skills of analysis, synthesis, leadership and team work in the face of real issues.

As on 31st March 2025, 77 Case Studies have been developed, peer reviewed and disseminated to RCBKIs/RCBKCs for training purposes. Following case studies were developed during 2024-25:

- Journey of an Audit Para
- Thematic Para on Systemic lapses
- Swachh Bharat Mission (Urban)
- Fraudulent Payment of Legal Fees
- Audit of PRIs relating to implementation of Sustainable Development Goals (SDGs)
- Comment on financial statements of MTNL for the year 2020-21 (Licence Fee Liability)
- Comment on financial statements of MMTC Limited for the year 2020-21 (Deferred Tax Asset)
- Comment on financial statements of MMTC Limited for the year 2020-21
- Unnecessary Re-appropriation of Funds
- IT Control
- Indiscriminate use of Minor Head-800

2.4 Training at Institutes of SAI India

The training infrastructure of SAI India comprises four Central Training Institutes, 10 Regional Capacity Building & Knowledge Institutes (RCBKIs) and two Regional Capacity Building & Knowledge Centres (RCBKCs).

2.4.1 Trainings at Central Training Institutes

2.4.1.1 National Academy of Audit and Accounts (NAAA)

During 2024-25, NAAA conducted various phases of induction training programme for Officer Trainees of 2022, 2023 and 2024 batches in which 57 Officer Trainees of IA&AS, six officers from Royal Audit Authority of Bhutan and two officers from SAI Maldives had undergone/are being trained at the Academy. 14 IA&AS Officer Trainees of 2022 batch successfully completed their training at the Academy in August 2024 and 26 IA&AS Officer Trainees of 2023 batch who have completed their Phase-I training at the Academy are currently in field offices for their On-the-Job Training. 17 IA&AS Officer Trainees of 2024 Batch and two officers from Royal Audit Authority, Bhutan have joined their Induction Training at the Academy in December 2024 and are currently undergoing their Phase-I training at the Academy.

One of the major objectives of the Academy is to help the Officer Trainees in acquiring professional knowledge and competence as Civil Servants, through in house training, extra-curricular and social activities. Inputs for professional knowledge are imparted through an interactive classroom environment, practical sessions on the working of different organisations

through study tours and lecture series by eminent personalities from various walks of life.

During the year 2024-25, the Academy conducted lectures of several eminent personalities like cyber law expert and Advocate of the Supreme Court Dr. Pavan Duggal, former Chief Secretary and Chairman of Himachal Pradesh Real Estate Regulatory Authority Dr. Shrikant Baldi, including a lecture under the 'Pragyan' Lecture series by Prof. Ramachandra Guha on "Environment and Development" in March 2025.

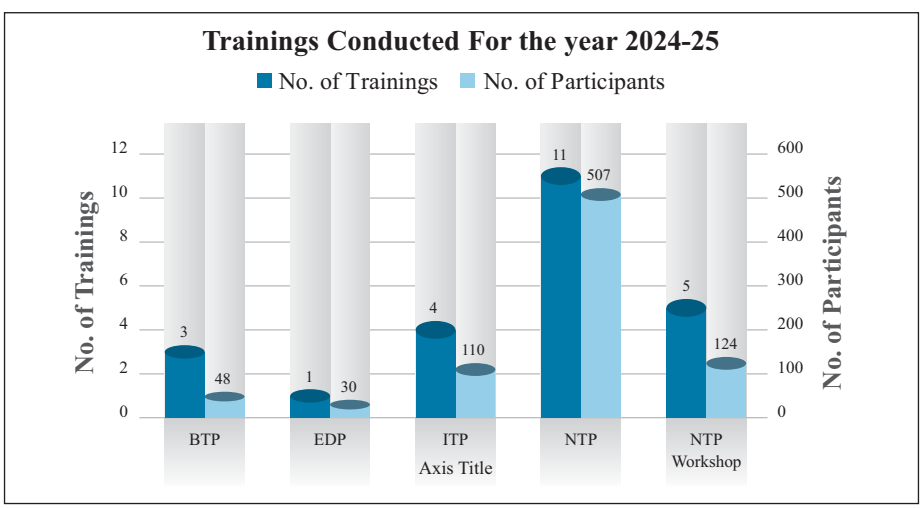
Along-side Induction Training of IA&AS Officer Trainees, the Academy conducts Orientation and Management Development Programmes for serving IA&AS officers and Audit & Accounts Sensitisation courses for Officer Trainees of other Central Services and officers of other Services and the Indian Army. During 2024-25, 14 in-service courses including two workshops were conducted at the Academy, in which 250 officers participated.

2.4.1.2 International Centre for Information Systems and Audit (iCISA)

iCISA aligns its international capacity-building initiatives with emerging trends and technologies, allowing auditors and professionals from around the world to share their experiences and aid in continuous professional improvement. iCISA draws upon a rich resource pool comprising experts from SAI India, various Government departments, and reputed organisations such as Information Systems Audit and Control Association (ISACA), UNICEF, World Bank as well as renowned educational institutions like Indian Institutes of Technology (IITs) and Indian Institutes of Management (IIMs).

iCISA has trained 5,959 participants from 154 countries through residential International Training Programmes till 31 March 2025 and 126 participants through online multilateral programmes.

During 2024-25, iCISA conducted 24 training programmes which were attended by 819 participants.



As a significant step towards enhancing knowledge sharing by overcoming language barriers and making the learning process more inclusive and impactful, iCISA is now offering training programmes with interpretation in foreign languages. In 2024-25, iCISA conducted a bilateral training programme on "Quality Control & Quality Assurance" from (September) 2-13 September, 2024 for 13 officers from SAI Syria, with Arabic interpretation, engaging language experts from the Delhi University. Building on this, iCISA introduced AI-powered real-time Spanish interpretation using the "Wordly" platform during the 163rd International Training Programme on Performance Audit (10-21 March 2025), enhancing engagement for the participants from Spanish-speaking countries.

iCISA publishes a bi-annual e-Journal "PursuIT" which is circulated to all field offices and hosted on the iCISA website. This e-Journal serves as a valuable resource for disseminating knowledge on latest technological advancements. During the period, the ninth edition on the theme Data Protection and Data Privacy has been published.

iCISA has been engaged in the peer review of STMs and case studies on emerging technologies developed by other RCBKIs/CKs and also contributed towards updating of the Manual on Information Systems Audit 2024.

As part of its efforts to foster innovation and engagement, iCISA organised a Presentation/Demonstration Competition on the theme "Use of AI/ML or IT for Enhanced Transparency and Governance" on 19th November 2024 during the Audit Week Celebrations for engineering students. The competition provided a platform for students to showcase their ideas and solutions that leverage Artificial Intelligence, Machine Learning and Information Technology to enhance transparency and governance in the public sector.

iCISA, guided by its redefined vision and mission, has chalked out its Strategic Plan 2025-30 envisioning to position itself as the hub for use of AI and Emerging Technologies in Audit. The Strategic Plan aims to:

- Develop and strengthen iCISA as a knowledge and thought leader in driving innovation in audit and governance through research in Information Systems Audit and use of Emerging Technologies in audit.
- Expand and strengthen the global footprint of capacity development programmes by adopting cutting-edge training methodologies and innovative approaches to Information Systems Audit and use of emerging technologies in audit.



Use of AI/ML or IT for Enhanced Transparency and Governance

- Modernise and strengthen existing infrastructure at iCISA and develop state-of-the-art facilities to support research and capacity-building initiatives in Information Systems Audit & use of emerging technologies in audit.

iCISA's capacity building journey spans over two decades of excellence and impact. To commemorate its establishment in March 2002, iCISA organised a lecture – 'Governing through AI and Governing AI' by Professor Lawrence Liang from Dr. B.R Ambedkar University on 11th March 2025. This thought-provoking lecture on critical issues concerning use of AI in Governance examined the intersection of law, ethics and governance in the field of AI in India, focusing on how legal and political structures respond to and shape AI's integration into governance. Beyond regulatory concerns, the talk explored the philosophical anxieties surrounding AI—particularly the ways it unsettle the boundary between human and non-human agency.



DAI(HR) with Professor Lawrence Liang during a lecture on 'Governing through AI and Governing AI'



Professor Lawrence Liang during the lecture

iCISA brought out first edition of its newsletter (October 2024), offering a glimpse into the diverse array of capacity-building activities undertaken by iCISA on both national and international fronts. The Newsletter also shed light on research activities, new initiatives and noteworthy events at iCISA.

2.4.1.3 International Centre for Environment Audit & Sustainable Development (iCED)

The International Centre for Environment Audit & Sustainable Development (iCED) was set up in 2013 for capacity building and knowledge sharing in the areas of Environment Audit and Sustainable Development and seeks to harness SAI India's expertise in conducting environmental audits over the years. iCED is also a designated Global Training Facility (GTF) of the INTOSAI Working Group on Environment Audit (INTOSAI WGEA) and INTOSAI Working Group on Extractive Industries (INTOSAI WGEI since August 2016).

During the year 2024-25, 24 capacity-building and knowledge-sharing programmes were organised by iCED. Of these, 13 were National Training Programmes, three National Workshops/Regional Seminars, two UN Audit training programmes and six International Training Programmes/Workshops/Webinars. Three programmes were conducted in an online mode, 20 were conducted in offline mode while one training was conducted in a hybrid mode. A total of 639 participants (314 international and 325 national) attended these programmes.

iCED and Indian Institute of Technology, Madras (IIT-Madras) signed a Memorandum of Understanding (MoU) on 24 February 2025 at New Delhi in the presence of the CAG, to collaborate for capacity building and research in Environment Audit and Environmental, Social and Governance

(ESG). This partnership will leverage Artificial Intelligence (AI), Machine Learning (ML) and other technological advancements for improving the effectiveness of these niche areas of auditing to take forward the vision of the CAG. As part of this initiative, 50 officers of the Department will initially be imparted a one-week training programme by the faculty from IIT-Madras, at iCED campus in April 2025 on the "Use of AI and ML in Environment Audit and ESG". From this group, select participants will further undergo an intensive three-months' hybrid course, with one and a half months each in-person training at IIT-Madras and of virtual training. This programme will end in conferring of Certification in the use of AI and ML in Environment Audit to the participants by IIT-Madras.

iCED also has a vibrant in-house research programme in collaboration with leading academic and research institutions to bring out quality research projects dovetailed to SAI India's Environment Audit processes.

iCED has contributed articles on behalf of SAI India on international forums such as the Asian Journal of Government Audit. An article by iCED, on "Auditing Urban Waste Management – An Overview and Experience from – SAI India" was published in April 2024 edition of Asian Journal Government Audit.

iCED has envisaged a Strategy Plan for 2025-30 with the following objectives:

i) Strategic Objective 1: Develop iCED as a prominent research institution on Environmental Audit and Sustainable Development Goals and cross cutting environmental issues.

ii) Strategic Objective 2: Effectively engage in capacity development on environmental and sustainable development issues.

iii) Strategic Objective 3: Develop iCED into a state-of-the-art, sustainable and inclusive infrastructure institution that supports innovative teaching methodologies and aligns with emerging technological advancements.

In line with Standard Operating Procedure for conduct of Audits relating to environment dated 2 December 2019 issued by Headquarters Office, iCED, during the year 2024-25, has provided assistance in the form of write-ups, notes, research papers, articles, Audit Design Matrix Audit Reports etc. to field audit offices for planning and conducting audits on various environmental issues such as Blue Economy, Biodiversity and Coastal Ecosystem, Eco Tourism, Air Pollution, Conservation of Natural Resources, Ecosystem, Eco-development in Coastal Areas Flood Control Management and Drainage Improvement and Forest Fire Prevention and Management Scheme.

iCED releases a quarterly newsletter "Green Files" by combining inputs from various Environmental reports and other related content. During the period 2024-25, iCED has included contemporary environmental topics and sections such as pollution, agriculture and renewable energy.

i) 49th Volumes of Quarterly Newsletter 'Green Files' published under the theme "Agriculture with a focus on Environment".

ii) 50th Volumes of 'Green Files', published by iCED under the theme "Agriculture with a Focus on Environment Volume II".

iii) 51st Volumes of 'Green Files', published by iCED under the theme "Air Pollution".

iCED as a Centre of Excellence on the Blue Economy

A "Centre of Excellence on Blue Economy" was established in iCED dedicated to capacity building encompassing both Training & Research to serve in undertaking holistic integrated audits in the priority area and compliance to SDG 14 "Life Below Water". As a Centre of Excellence, iCED has been engaged in contributing towards capacity building through following initiatives-:

i) iCED has closely synergised with leading think tanks like TERI, National Maritime Foundation (NMF), IIT Kanpur, National Institute of Urban Affairs and World Resources Institute (WRI) etc., for holding quality training in the area of the Blue Economy.

ii) iCED has entered into a technical collaboration with IIT Madras for capacity building and research on the emerging trends of Environmental Audit and Governance, Climate Resilience Sustainable Development, Artificial Intelligence and Machine Learning.

iii) Dedicated Occasional Research Papers on Sustainable Marine Fisheries, Marine Plastic Pollution and Sustainable Marine Tourism were published by iCED under the theme Blue Economy.

Occasional Research Papers (ORPs) undertaken on the Blue Economy Sectors by iCED during 2024-25

i) Occasional Research Paper on "Flood Risk Assessment of the Walled City of Jaipur" focuses on the frequent floodings during monsoon seasons in the walled city of Jaipur by using advanced functions of Quantum Geographic Information System (QGIS) to map and evaluate factors contributing to flooding situations. The paper emphasised on the importance of meticulous planning and preparedness for effective flood risk management.

ii) Occasional Research Paper on "Auditing Perspective on Sustainable Marine Fisheries" explores the practices in sustainable marine fisheries management and navigate through the complex areas of fisheries regulation, ensuring that economic prosperity aligns with the preservation of marine ecosystems. This paper can serve as a valuable resource for policymakers to develop and refine policies that align with global standards while maintaining a balance between economic growth and environmental preservation.

iii) Occasional Research Paper on "Audit Perspective on Marine Plastic Pollution: A Focus on Microplastic" serves as a knowledge resource point for the planning and execution of audits, enabling the systematic gathering, analysis and documentation of data as well as the collection of essential audit evidence on Microplastics.

iv) Occasional Research Paper on "Selected Perspective on Sustainable Marine Tourism with focus on the Conservation of Olive Ridley Turtles in Odisha" explores on the conversion of marine tourism into sustainable marine tourism by striking balance between tourism and protection of ecosystem with a focus on conservation of Olive Ridley Turtles in Odisha.

2.4.1.4 International Centre for Audit of Local Governance (iCAL)

iCAL Rajkot inaugurated in July 2024, strives to become a collaborative platform uniting policymakers, administrators and auditors linked with Local Governments. iCAL would collaborate with experts, practitioners and stakeholders from around the world to develop comprehensive standards that define best practices, methodologies and principles for conducting audits at the local level. The standards would serve as a benchmark for quality and integrity, ensuring consistency and excellence in audit processes.

It will offer specialised training programmes for auditors, local government officials and other stakeholders, ensuring that they are equipped with the latest tools and methodologies according to global best practices. The training activities focus on addressing emerging challenges, improving analytical abilities and fostering ethical decision-making to promote good governance, inclusive development and sustainable outcomes in communities. iCAL is expected to promote the enhancement of audit landscape of the local governments, both in India and internationally by fostering collaboration among Supreme Audit Institutions (SAIs) and driving innovation in the field of local government auditing.

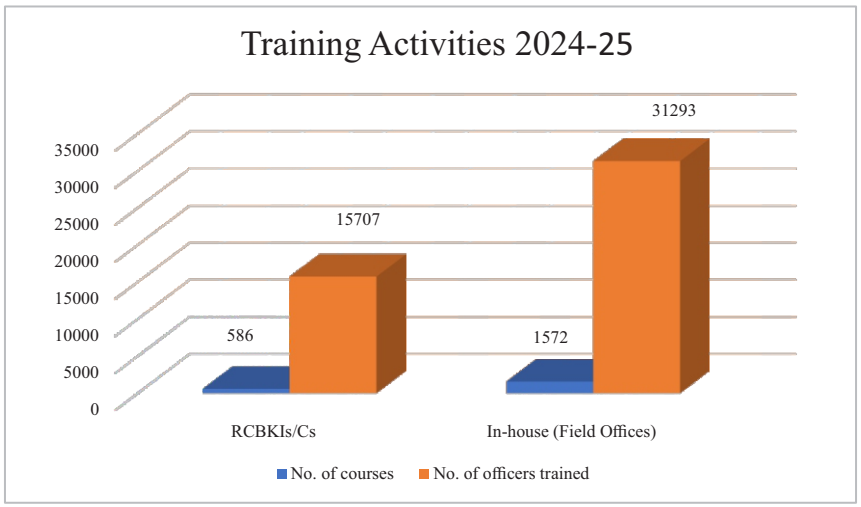
iCAL is working for mutually benefitting partnership with various institutions engaged in the field of local governance and capacity building interventions on local governance including training and research.

During the year 2024-25, iCAL conducted a two day training programme for DLFA/ELFA of various states and IAAD Officers, four National Training programmes on Service Delivery Oriented Audit and Two outreach programmes (i) awareness programme on Certification Course for Accountants of Local Governments for UG students of Christ College, Rajkot (ii) workshop on "Urban Governance in Small Municipalities" for students of Centre for Environmental Planning and Technology (CEPT) University, Ahmedabad.

2.4.2 Trainings at Regional Capacity Building & Knowledge Institutes/Centres/In-house training

SAI India has 10 Regional Capacity Building & Knowledge Institutes (RCBKI) and two Regional Capacity Building & Knowledge Centres (RCBKC) located across the country. Field offices also organise in-house training programmes of short duration to meet office specific requirements for capacity building.

During 2024-25, RCBKIs/RCBKCs conducted 586 courses (337 General, 216 IT and 33 Hybrid) and trained 15,707 participants. During the same period, the field offices also conducted 1,572 in-house courses and trained 31,293 officers.



These training courses were conducted on various subjects such as Public Private Partnership, Technical Guidance & Support Practice Guide, Adobe Captivate, Audit of Contract, Purchase Agreement and Works Audit, Compliance Audit, Performance Audit, Financial Attest Audit and IT subjects such as Data Analytics, Audit in IT environment, Oracle, Tableau, Python etc.



Group activity in RCBKI Ranchi



RCBKI Kolkata- Smart classroom

2.5 Career Milestone Training for IA&AS Officers at institutions of repute

The pattern of Mid-Career Training Programme (MCTP) for IA&AS officers was revised as per DoPT orders issued in May 2016. Currently it includes:

i) **Executive Development Programme (EDP) for IA&AS Officers with 7-9 years of service** to enhance understanding of public policy and finance issues, strengthen analytical tools and management acumen.

ii) **Management Development Programme (MDP) for IA&AS Officers with 14-16 years of service** to widen exposure and technical inputs, strengthen analytical tools, management acumen and interpersonal skills.

iii) **Advanced Management Development Programme (AMDP) for IA&AS Officers with 26- 28 years of service** to widen exposure to multi-dimensional issues faced by senior managers including policy development, performance management, organisational design, negotiation and leadership.

MCTPs of IA&AS officers for the year 2024-25 were conducted as under:

- During 2024-25, the EDP for 20 candidates was conducted at IIM Bangalore for two weeks during 17-27 September 2024.
- During 2024-25, the one-week domestic component of MDP was held from 2-6 September 2024 for 20 IA&AS officers at IIM Ahmedabad and one week training was done at NAAA from 11-14 November 2024.
- AMDP was conducted at ISB Hyderabad (at Mohali Campus) from 24 February to 7th March 2025 for 14 IA&AS officers.

2.6 External Trainings for Senior Audit/Accounts Officers/Assistant Audit/Accounts Officers

During 2024-25, 97 SAOs/AAOs were trained in five trainings at OP Jindal Global University, Sonepat, Haryana on Public Speaking, Communication and Presentation Skills, Value, Ethics & Organisational Culture, AI & Big Data Analytics, Cyber Security, Cyber Hygiene & Surveillance and Specialised Course on Law (Customised).

2.7 Self-Nomination Scheme for Senior Audit Officers/Assistant Audit Officers

CAG of India approved (October 2019) Self Nomination Scheme for training of AAOs/SAOs at Indian Institutes of Management (IIM). The self-nomination scheme was revised in November 2021 to enable SAOs/AAOs to participate in online/hybrid trainings conducted by IIM as well.

During 2024-25, IIM Kozhikode was added to the list of IIMs and no. of courses increased from 20 to 25. 24 trainings were conducted in IIM Ahmedabad, Bangalore, Calcutta, Indore, Kozhikode, Lucknow, and 114 SAOs/AAOs were trained.

2.8 Mid-Career Training Programme for Senior Audit Officers/Assistant Audit Officers

Knowledge & Capacity Building Wing implemented a five level Mid-Career Training Programme (MCTP) for SAOs/AAOs from March 2022 as under:

MCTP	Description
Level 1	Induction training for direct recruit AAOs/promoted AAOs conducted at the RCBKIs/RCBKCs
Level 2	for AAOs with service career of 7 to 12 years-at RCBKIs/RCBKCs
Level 3	for SAOs/AAOs with service career of 12-17 years- RCBKIs/RCBKCs
Level 4	for SAOs/AAOs with service career of 17-22 years at external training institutes i.e. OP Jindal Global University (OPJGU) Sonepat, Administrative Staff College of India (ASCI) Hyderabad and Management Development Institute (MDI) Gurgaon.

MCTP	Description
Level 5	SAOs/AAOs with service career of more than 22 years at Arun Jaitley National Institute of Financial Management (AJNIFM) Faridabad

During 2024-25, 57 MCTPs were conducted in which 1,761 SAOs/AAOs were trained.

2.9 Performance Monitoring Framework

A Performance Monitoring Framework (PMF) for RCBKIs/Cs with quantitative parameters was designed and introduced in 2015-16. The PMF envisages internalising and institutionalising excellence by linking RCBKIs/Cs internal processes to stakeholders' expectations, ensuring a quality learning environment and necessary facilities to effectively impart training as well as function as knowledge centres. The scores allotted by the RCBKIs/RCBKCs and its user offices are verified by conducting physical inspection of the RCBKIs/RCBKCs. The PMF verification for the year 2023-24 in respect of six RCBKIs/Cs had been completed during 2024-25.

2.10 Special efforts made by Knowledge & Capacity Building (K&CB) Wing during 2024-25

Following other milestones in capacity building were also achieved during 2024-25:

i) **An All India Training Programme on 'Artificial Intelligence & Machine Learning'** was organised at IIT Delhi for 19 IA&AS officers from 2-6 September 2024.

ii) **Internship Scheme in SAI India:** During 2024-25, under the Internship Scheme in SAI India, Knowledge & Capacity Building Wing engaged Young Professionals for IR (two YPs) and RCBKIs/Cs (13 YPs).

iii) **Induction Training for Direct Recruit AAOs:** The induction training for direct recruit AAOs (SSC-CGLE 2022) has been conducted as under:

Phase 1: Three-months classroom online training including SAS Preparatory at field offices.

Phase 2: Three-months of On-the-Job training in field offices.

Phase 3: Six-weeks Orientation Training for AAOs/Supervisors

iv) **Six-week Orientation Training for AAOs/Supervisors:** During 2024-25, 608 AAOs/Supervisors were trained in Six-week Orientation training conducted by RCBKIs/Cs.

v) **Pre-Examination Training for Continuous Professional Development (CPD) Examination-** K&CB Wing started organizing pre-examination online training of Continuous Professional Development (CPD) Examination with the approval of competent authority from the year 2022. The training was organised for Sr.AOs/Sr.DAOs/AAOs/DAOs Gr I with the external training partner, iCISA Noida and In-house training.

During the year 2025, the competent authority has decided to organise the said training at training institutes of SAI India.

CPD Paper	Training Institute
C-1 Financial Management	RCBKI Mumbai
C-2 Accounting and Auditing Principles & Standards	RCBKI Prayagraj
C-3 Public Finance	RCBKI Nagpur
C-4 General Principles of Economics	RCBKC Delhi
C-6 Information System Audit	iCISA Noida
C-5 General Studies & Current Economic Developments	NAAA

vi) **Dr. B R Ambedkar Knowledge Lecture series**

IAAD has been organising the Dr. B R Ambedkar lecture series from February 2018 with the objective of exposing officers/officials to ideas and issues of importance and relevance.

During the period the following lectures were conducted:

a. **On PM Gatishakti and use of GIS and other technologies in Audit:** Shri Vinay Thakur, Special Director General, BiSAG-N, Ministry of Electronics and IT and **on ERP for Educational Institutes:** Shri Sanjeev Singh, Professor, Cluster Innovation Center, Institute of Informatics & Communication, University of Delhi on 11.02.2025

b. **On 'Governance in the Digital world'** by Mr. Kamakoti, Director, IIT Madras on 24 February 2025

vii) **Implementation of Automated Permanent Academic Account Registry (APAAR) for employees of SAI India-**

APAAR stands for Automated Permanent Academic Account Registry. It is a specialised identification system designed for all students/professionals in India. This initiative is part of the 'One Nation, One Student ID' program launched by the government, aligning with the new National Education Policy of 2020. It envisages a digital identification system for students/professionals in India that's part of the "One Nation, One Student ID" program.

To facilitate APAAR implementation for employees of SAI India, K&CB Wing had organised a workshop elaborating the process of generating and using APAAR ID for the officers of CTIs/RCBKIs/RCBKCs. The workshop was facilitated by the representatives from Ministry of Education.

All officers/officials of SAI India were requested to generate APAAR ID and update the same in the SAI training portal.

viii) **One Nation One Subscription (ONOS)**

One Nation One Subscription (ONOS) initiative is a new Government of India initiative aimed at providing nationwide access to scholarly research articles and journal publications.

Since SAI India is a knowledge-driven organisation, officers are required to have wide scale awareness and knowledge, which must include managerial skills, decision-making, competency enhancement etc. K&CB Wing in collaboration with Department of Higher education, Ministry of Education has registered all training institutes of IAAD on ONOS Platform. All offices of IAAD have also been provided access on ONOS platform.

ix) **Centralised Knowledge Repository**

K&CB wing is in the process of developing a Centralised Knowledge Repository (CKR) for SAI India. The CKR aims to streamline the flow of knowledge in SAI India and timely updating of CAG's knowledge resources, to create a well organised, easily accessible and comprehensive knowledge repository. CKR is expected to contribute towards enhancing the efficiency and effectiveness of SAI India by facilitating better informed decision-making, structured knowledge sharing, and organisational learning.

x) **SWAYAM & iGOT courses**

Knowledge and Capacity Building (K&CB) Wing directed all Regional Capacity Building and Knowledge Institutes/Centres (RCBKIs/Cs) to focus exclusively on advanced training programmes, leaving basic training needs to be addressed internally by field offices through in-house resources. Additionally, training on basic topics such as MS Excel, Word, PowerPoint etc., was directed to be undertaken through self-paced modules available on the iGOT platform. To further support officer development, the K&CB Wing has also publicised a list of relevant certification courses available on both the SWAYAM and iGOT portals, completion of which will be incentivised by the department.

xi) **Signing of MoUs with external training institutes**

In line with its commitment to strengthen audit capabilities and enhancing institutional effectiveness, the Office of the Comptroller and Auditor General (CAG) of India has entered into several Memorandums of Understanding (MoUs) with leading academic and research institutions during February–March 2025. These collaborations aim to foster innovation, improve domain-specific expertise, and build professional competencies across various facets of public auditing. The MoUs cover a wide range of themes including non-cognitive skills, urban development, procurement, geospatial technologies, digital transformation, and sector-specific audits.

The following MoUs have been signed between CAG office and external institutes in February- March 2025:

- **CAG-CMI MoU on Non-Cognitive Skills for Auditing** to enhance non-cognitive skills that impact auditing effectiveness, by conducting training on **Soft Skills** leading to professional effectiveness, ethical leadership & communication.

- **CAG-NIUA MoU for Urban Audit** to strengthen audit planning, processes and capacity building in urban development, to develop content and training on urban audit themes and to conduct site-visits and structured training programmes.

- **CAG- IIM Mumbai MoU on Procurement** for structured capacity-building to enhance domain-specific audit expertise in PSUs such as auditing of inventory management and logistics and supply chain management.

- **CAG- BISAG-N MOU to Enhance Audit Capabilities** by leveraging Geographic Information Systems and Remote Sensing for strengthening audit processes. BISAG-N has committed to provide dedicated services to all our audit offices on demand. Field Offices have been requested to forward problem statements where GIS/ Remote sensing technology is proposed to be used in course of upcoming PAs/ SSCAs in Annual Audit Plan 2025-26.

- **CAG- IIT Madras MOU to boost digital & sustainable auditing** through collaboration on innovation in data governance, big data, and AI/ML. Another MoU was signed between iCED Jaipur and IIT Madras on academic research and capacity building in environment audit and ESG. Diploma Course on "AI, Data Science and Cybersecurity Audit" has been devised and the training for first batch consisting of 24 IA&AS officers and 78 SAOs/ AAOs has commenced. This Office has identified seven projects which will be executed in collaboration with IIT Madras to develop guidance and frameworks on various IT related aspects like cybersecurity audit, data governance policy etc.

- **CAG- IIM Ahmedabad MOU** aims to strengthen audit frameworks in the evolving economic sector with focus on Power and Railways sector.

CHAPTER-3

Internal Controls and Quality Assessment

3.1 Quality Management through Inspections

The Inspection and Peer Review (IPR) Wing is vested with the responsibility of conducting test checks of all the functional offices (131 field offices including two Regional Training Centre) of SAI India across the board. The wing performs oversight functions with a view to provide assurance on compliance with the professional pronouncements and administrative instructions' gap analysis facilitating course corrections for optimal utilisation of human capital and efficient optimisation. The Inspection provides a platform for sharing of good practices noticed in individual offices.

In order to fulfill its mandate, the wing carries out on-site inspections of field offices including branch offices.

Following mechanisms are in place to ensure effectiveness of inspection and responsiveness of functional wings in headquarters and field offices:

a. To make the process of inspection open and participative, the wing has endeavoured to improve and sustain synergy with all stakeholders through regular dialogue with the heads of the respective functional wings;

b. The inspection teams conduct desk studies of available material like earlier peer review reports/Inspection reports, detailed information called for from the offices planned for inspection and periodical returns/inputs obtained from functional wings on a regular basis. Teams go through briefing and debriefing sessions at the highest level before commencement and after completion of field assignments;

c. Reports are prepared in standard formats and carry recommendations to engage stakeholders in a constructive manner;

d. The approved Inspection Reports (IRs) for the years 2014-15 to 2024-25 are available in the KMS portal;

e. Compliance to the observations are called for from field offices under two categories viz., (i) Category-A- where compliance is to be done by the office itself in a time-bound manner, and (ii) Category-B- where compliance is dependent on action taken by external agencies like State Government, PSUs etc. Individual offices have been advised to fix a time frame within which all the observations raised in the Inspection Reports are complied with.

3.2 Activities during the year 2024-25

- Inspection Teams were supervised by a Group Officer for effective execution of inspection work continuing the practice from the previous year 2023-24.

- During the year, 21 field offices (A&E Offices-6, Audit Offices-2, Central Audit Office-2, Commercial Audit Offices-1, Railway Audit Offices-3 and Regional Knowledge and Capacity Building Institutes-7) were planned for inspection and inspection was completed as planned. Details of observations raised, settled and outstanding are tabulated below:

No. of Inspections planned	No. of Inspections carried	No. of IRs/ observations issued during 2024-25		No. of observations settled during 2024-25	No. of paras/ IRs outstanding at the end of March 2025	
		IRs	Paras		No. of paras	No. of IRs
21	21	20	2,173	2,411	2,614	51

3.3 Internal Peer Reviews

IPR Wing organises Peer Review of offices in SAI India as part of Quality Assurance mechanism.

During the year, 14 field offices (A&E Offices-4, Audit Offices-5, Central Audit Office-1, Defence Audit Office-1, Commercial Audit Office-1 and Railway Audit Offices-2) were planned for Peer Review. All Peer Review were completed.

3.4 Lessons Learnt Report

'Lessons Learnt Reports' highlighting important findings of various Peer Review Reports have been issued to the functional wing (HQs) and field Offices (Audit and A&E) for corrective action.

CHAPTER-4
Our IT initiatives

SAI India is continuously upgrading its disparate legacy Information Technology (IT) applications to centralised IT solutions. The centralised solutions are easier to manage and state of art security setup can be deployed in centralised application in a cost-effective manner. The push to digital solutions is accentuated by the objective of standardising our work processes, reducing time to process and improve quality of services rendered and to leverage digital data generated by other governmental IT applications for audit assignments.

The applications in SAI India have been designed to ensure high availability and improved quality/continuity of services. The new centralised solutions include state-of-the-art security architecture to handle advanced cyber threats. To ensure safety, the security audit of network, infrastructure and application by an independent, external, government empanelled agency is mandatorily performed.

The use of IT in SAI India can be broadly grouped under the following categories:

- Formulation and implementation of Information System (IS) policy for the SAI India;
- Designing and rolling out new IT applications;
- Supporting existing IT applications, especially in relation to Accounting & Entitlement functions;
- Management and maintenance of supporting IT infrastructure;
- Serve as a resource centre for Data Analytics to assist in planning and execution of Audit assignments; and
- Audit of IT Systems of Governments and other auditee entities.

4.1 Recent Initiatives and Developments

In line with Government of India's IT 'Digital India' programme, SAI India is in the process of complete digitisation of its business processes and records. The audit processes have been completely digitised with the development, implementation and roll-out of the One IAAD One System (OIOS) Application, an end-to-end Audit Process and Knowledge Management System – a core audit function of SAI India, from 1 April 2023. Field offices have been on boarded and trained on e-Office (NIC's file management and transfer system) application. The process of implementing a comprehensive HR package for our personnel (e-HRMS) is also underway.

Additionally, SAI India has a Centre for Data Management and Analytics (CDMA) at the Headquarters office. CDMA serves as a nodal point for obtaining centralised access to other governmental applications and the data generated by them and assists SAI India's field offices in data analysis and data restoration. CDMA has started to take up centralised desk review for selected audit assignments.

SAI India also has a separate IT audit function, which is responsible for risk assessment and prioritisation of auditee IT systems for IT audits and guidance of individual IT audit assignments from planning and design through mid-term reviews to reporting.

4.1.1 One IAAD One System

4.1.1.1 Design, development and roll-out of OIOS

SAI India is a large organisation with around 29,000 employees involved in its core audit function. Hitherto, departmental information was being stored in a heterogeneous and distributed manner, ranging from paper-based files, electronic files stored on personal desktop, to localised in-house IT systems in some cases, lacking an effective mechanism for systematic sharing of data within the department.

In 2019, SAI India initiated the development, implementation and roll-out of a comprehensive IT system for audit process automation and knowledge management, called One IAAD One System (OIOS). The OIOS project aims at creating an IT based platform which will create a single source of truth regarding audit activities of SAI India. It is a workflow-based IT application where all the activities are carried out end-to-end in real-time within the application itself. The solution consists of four main components:

i) Business process management system through which activities relating to audit planning, audit design, audit execution, audit reporting and follow-up can be performed. This covers all types of audits (financial, compliance and performance audits).

ii) Knowledge management system in which the unstructured information relating to auditees (such as policy notes, GOs, reports, act, rules, circulars, instructions, guidelines, etc.) and audit process (mandate, regulation, standing orders, guidelines, guidance notes, practice notes etc.) are maintained.

iii) Reporting module in which MIS reports and dashboards can be created and managed.

iv) Data collection platform in which structured data (including photo, video, geolocation, etc.) can be collected for various purposes.



OIOS application includes a mobile scanner application which assists in capturing geotagged images, videos and documents and attach them as key documentary evidence. In order to facilitate audit execution in geographical locations, where there is little or no internet connectivity, an offline module is also part of the OIOS application.

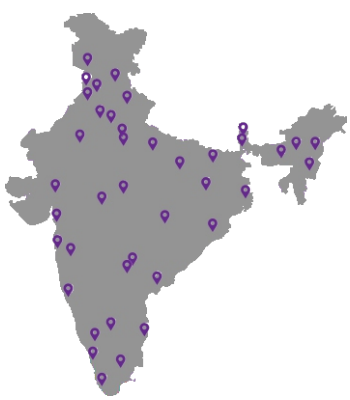
The OIOS application is based on the Agile Scrum Methodology for iterative development. This involves intensive engagement between the Product Owner (SAI India) team and the System Integrator's team.

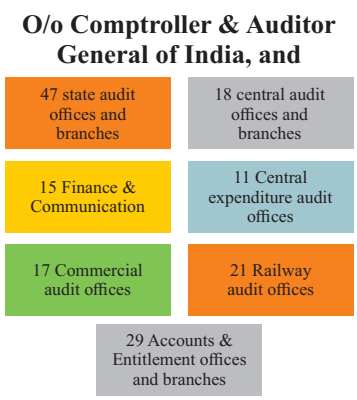
Change Management in an organisation like SAI India (with around 150 audit offices) is a challenge. From digitising the SAI India's processes perspective, OIOS has replaced the currently followed manual processes. These processes vary from office to office – some are due to office-specific requirements, and some are only customary. Keeping these aspects in mind, an elaborate framework for on boarding an office on OIOS has been put in place.

4.1.1.2 Status of OIOS Application Development and roll-out

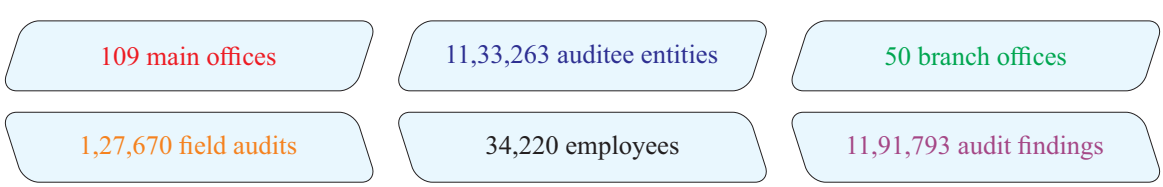
The application development for the first version of OIOS is completed. Primary functional modules (Audit Planning, Audit execution by field Audit parties, Review and finalisation of Audit Products- Inspection Reports, Audit Report material, Communication, Audit follow up and Audit planning) have been developed. The Mobile Scanner app and the Offline app have also been launched.

The roll out of the application in SAI India offices began in November 2020 and it is cent *percent* operationalised in 130 audit offices (81 main and 49 branch audit offices) with effect from 1 April 2023. As on 31 March 2025, 29 State A&E offices (28 main and 1 branch office) have also been on-boarded in OIOS (for treasury inspection) increasing the count to 159 field offices (109 main and 50 branch offices).





The overall implementation indicators as of 31 March 2025 are depicted below:



Key data indicators of OIOS implementation

The process of rolling out and implementation in each field audit office or branch office consists of the following broad activities – initial engagement; base camp (involving master data capture and associated activities); training and capacity building and phased implementation.

In order to facilitate the engagement process at office-level, 23 dedicated posts for OIOS Functional Helpdesk have been established at different Regional Capacity Building & Knowledge Institutes/ Centres of SAI India and iCISA, Noida. Each helpdesk person caters to a cluster of offices. They work as the first level of contact - in case the user faces any issues.

4.1.2 Implementation of secured IAAD VLAN

Main offices of SAI India have been provided internet connectivity through a virtual network named as IAAD-Net, forming part of NIC-NET. This network is managed by the National Informatic Centre. IAAD Net is designed for interconnecting various SAI India field Offices so that access to SAI India-specific IT applications can be restricted as appropriately and access to internet can be secured by utilising the Centralised Threat Management Solution of NIC.

Given that more of the office functioning is moving to web-based applications, it is important to have secured access to IAAD-Net. Hence, a project for revamping the existing LAN infrastructure and setting up a secured IAAD VLAN, and Wi-Fi access is ongoing. The purpose is to ensure:

- Overhauling of physical LAN infrastructure – scaling up with respect to increase in endpoint devices, replacing old LAN cables/ routers etc.
- Providing office-wide seamless Wi-Fi access.
- Centralised enforcement of security policies through Network Access Control (NAC).
- Centralised maintenance of IAAD network/ endpoint devices for Patch Management etc, through a dedicated Command and Control Center.
- Secured access controls for IAAD Virtual LAN (NIC user log-in ID based access).

4.1.2.1 Status of implementation of IAAD VLAN Project

The Project is being implemented with the assistance of NIC. The project starts with preparation of Design documents (office-wise) for requirement assessment. The work at office-site includes - Passive Work – physical laying of the fibre cables and Installation of Active components (Switches, routers). This is followed by Centralised deployment of network policies and configurations, which constitutes Network Live.

From implementation perspective, the project has been grouped into four Phases (1, 2A, 2B and 3) in terms of number of offices to be covered. Further, in order to finalise the Centralised configuration (which would be replicated across offices), five offices were chosen for pilot implementation and final testing of the configuration was completed in December 2021.

The process of onboarding of 150 offices on the new network in phase 1, 2A, 2B and 3 has been completed except 7 Site Not Ready (SNR) sites which are not ready for LAN upgradation due to various reasons such as shifting, renovation of office etc.

4.1.3 Human Resource Management System (e-HRMS)

The rollout of eHRMS 1.0 for the CAG Headquarters(HQ) office was initiated on a pilot basis on January 6, 2022. Following this, onboarding of iCISA, iCED, NAAA Shimla and all RCBKIs/RCBKCs (excluding RCBKC Delhi, which falls under DGCR Delhi) was completed.

Subsequently, Department of Personnel and Training (DoPT) communicated the upgradation of eHRMS 1.0 to eHRMS 2.0, being designed and developed by the National e-Governance Division (NeGD).

For roll out of e-HRMS 2.0, migration of data for users in CAG office, iCISA, İCED, NAAA Shimla, and all RCBKIs/RCBKCs (excluding RCBKC Delhi) from e-HRMS 1.0 to e-HRMS 2.0 was completed on 30th September 2023. The leave and reimbursement modules of eHRMS 2.0 were rolled out in these offices from 1st October 2023.

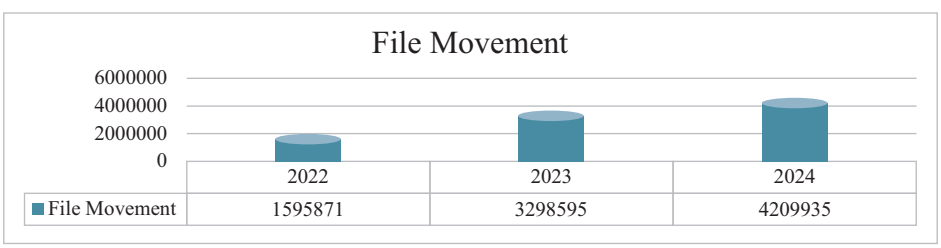
A phased implementation of the e-HRMS 2.0 has been carried out in offices under SAI India. The phased implementation has become effective through Pilot Phase, Phase-I and Phase-II. Currently, around 40,778 employees in 197 offices (Main and Branch offices) are on-boarded and using the Leave and Reimbursement Modules (Newspaper, Telephone and Children's Education Allowance) on the portal. These users are actively utilising these services on the eHRMS 2.0 portal.

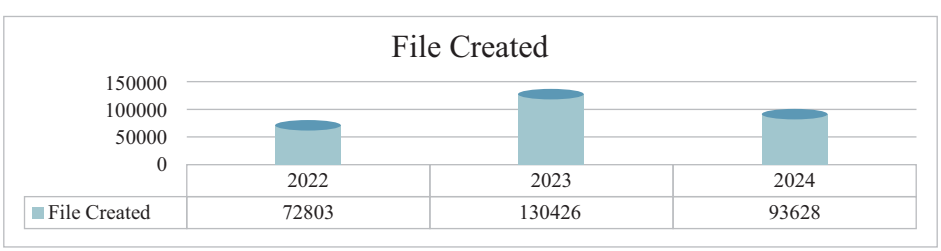
4.1.4 Implementation of e-Office

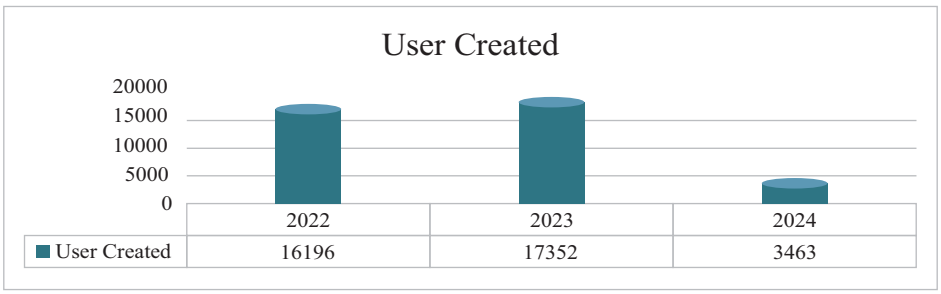
e-Office is a digital workflow-based application which allows end-to-end movement/ storage of electronic files. It is a web-based application developed by NIC and can be accessed from anywhere on internet. The implementation of e-Office is focused on processing of administrative activities.

Currently, 137 offices (including branch) are using e-office in varying degrees and 37,000+ users have been created and around 3,62,300 files have been processed through e-office.

Details of users and files created through e-office for each of the last three years:







4.1.5 Functional area of work of email accounts

SAI India's online IT applications (viz., e-office, e-HRMS, OIOS etc.) require that each user should have valid and active name based email account. This is pre-requisite/must for making login and use of that particular application. Though our department has started creation of name-based email account very early through NIC but the task of all email creation/modification/updating was finally transferred to our department in the year 2018. At that point of time, there were 42,369 email accounts on the email portal and thereafter during last seven-years, around 31,000 email accounts have been created. During current year (i.e., from 1st April 2024 to 31st March 2025) 2,367 user's email accounts have been updated and more than 2,300 user's accounts have been created. As on 31st March 2025, there were 52,432 active email IDs on email portal of IAAD which include all types of email account (i.e., Name based, Designation based, Sectional/Wing based and Office email accounts) within IAAD.

4.2 Management and maintenance of supporting IT infrastructure

Allotment of funds for procurement of IT hardware, IT-AMC, Consumables and software for use by field offices of SAI India is managed centrally. With the roll-out of OIOS and other IT applications, and in view of COVID pandemic, which has put emphasis on facilitating work from home, impetus was given on facilitating dedicated endpoint devices (laptops/desktops) for officials of SAI India. This is being done largely through centralised procurement of laptops and desktops. Further, for enabling audit parties to work on OIOS during field audit in areas with poor internet connectivity, mobile Wi-Fi devices have also been provided. Centralised procurement of 500 Laptops was completed in the year 2024-25.

4.2.1 Supporting existing IT applications

IS Wing provides necessary support as needed, in implementation and maintenance of various departmental IT application. There are nine existing applications running at the CAG's headquarters for various wings such as Staff Wing, Budget, Commercial Wing, GASAB Wing and Director (P) wing. IS wing has been currently looking after the maintenance & updating of multiple applications.

Accounts and Entitlement offices use Oracle based applications for VLC, GPF, Pension and Gazetted Entitlement processing as detailed in the table below:

Name of the application	Number of States
Accounts (VLC)	28
GPF	20
Pension	19
Gazetted Entitlement	9

IS Wing is providing technical support to the offices for modification and maintenance of the application. The Hardware/Software support is also provided whenever necessary.

IS Wing has already taken up the Technical up-gradation of VLC application to latest technologies.

4.3 Centre for Data Management and Analytics and Audit of IT Systems

The Centre for Data Management and Analytics (CDMA) is the nodal body for steering data analytics activities in IA & AD. CDMA provides guidance to the field offices on data analytics and pioneer research and development in the future direction of data analytics.

CDMA's vision to support the field offices of SAI India through its model of Data as a Service and Data Analytics as a Service is being realised through various Data Analysis projects and support activities.

4.3.1 High performance computing

A new High Performance Computing (HPC) server has been installed at CDMA. This state-of-the-art system includes a master node equipped with dual Intel Xeon Gold 6342 processors, 4 * 32 GB of DDR4 RAM, Solid State Drives (SSDs) in – Redundant Array of Independent Disks (RAID) 1 configuration for fast boot and application access and 24TB of Serial Advanced Technology Attachment (SATA) HDD in RAID 5 for high-capacity storage. Supporting the master node are 10 compute nodes, plus an additional GPU compute node. Each compute node mirrors the powerful dual Xeon CPU setup with 256GB RAM and SSD storage, while the GPU node includes a Quadro RTX 5000 graphics card for accelerated processing.

The server also features a dual-controller storage unit with 11 x 8TB SAS drives configured in RAID 6, offering a total usable storage capacity of 58.2TB with fault tolerance and a hot spare drive. To ensure high-speed data transfer and system management, the server is supported by high capacity ethernet switches. This robust infrastructure is designed to support intensive data processing and analytics workloads.

This HPC server can process and analyse large datasets, enable AI/ML model training and testing and support simulations or geospatial analysis. Its high-speed communication network and GPU acceleration also make it ideal for deep learning, predictive analytics and integration with GIS platforms. This installation significantly boosts CDMA's capability to handle large datasets in data-driven audits and enhancing the quality of audit products.

4.3.2 Data analytics projects during 2024-25

Under Data Analytics projects, flagship government schemes are taken up and data analytic reports are prepared. Latest Machine Learning and Artificial Intelligence techniques in Data Science were applied to bring out insights and risk areas, which would be hard to accomplish in traditional approach. High risk entities were identified using common parameters which were then selected for field audit. Cloud computing and query optimisation for faster execution of the Big Data queries has been adopted through various NIC Cloud servers. The following Data Analysis projects were undertaken during 2024-25:

I. E-Procurements by Government of Haryana through Government eProcurement System of NIC (GePNIC)

   a. Report forwarded in October 2024

   b. A template for all e-Procurement related data analytics was circulated in January 2025

II. Data Analytics of Indian railways e-Procurement System (IREPS) for O/o PDA (Northern Railways) for three modules (i) Tendering module, (ii) auction leasing of railway assets like parking, stalls etc., and (iii) auction for sale of scrap was conducted.

   a. Report in respect of tendering module forwarded in February 2025

   b. Report in respect of e-leasing and auction (sale of scrap) module forwarded in April 2025.

III. Network Analytics for Open Market Sale Scheme i.e., OMSS (a Food Corporation of India scheme for auction/sale of rice, wheet, etc.).

IV. VLC Data Standardisation- Receipt and Payment data from VLC systems were standardised into a common format across 10 States (with two States handled per vendor). The standardised data was consolidated into a PostgreSQL database hosted on the CDMA cloud, enabling demonstration and analysis of potential risk areas.

V. Analysis and Standardisation of Risk Assessment Methodology for Annual Audit Plan

   a. The Risk Assessment Methodology employed for the Annual Audit Plan was thoroughly analysed and a standardised approach was developed utilising Computer-Assisted Audit Techniques (CAAT) tools such as IDEA, Tableau and KNIME.

   b. The standardised methodology was officially demonstrated during an All-India presentation held on 17 February 2025. This was followed by a series of regional workshops conducted between 25 February 2025 and 10 March 2025, which focused on showcasing the end-to-end process for preparing Tableau models for audit planning.

   c. On-demand, one-day training sessions on CAAT tools are currently ongoing to support capacity building and facilitate implementation across regions.

d. All the State Audit offices have adopted this approach and are in various stages of implementation. Also, the usage of Tableau by field audit offices has improved from 758 instances in December 2024 to 3,339 instances in 31 March 2025. This reflects growing engagement and depicts a positive shift towards leveraging technology for informed decision-making.

4.3.3 Technical support

CDMA collects All India data of VAHAN, SARATHI and E-Challan from the Ministry of Road Transport and Highways every six months. This data is restored on CDMA's cloud server and shared with field offices in. CSV format on request basis. Further, CDMA elaborates the data flow and data structure of aforementioned databases to the field offices and helps them in identifying the relevant tables as well as in executing the queries on the data during the audit. During 2024-25, CDMA has disseminated VAHAN, SARATHI and E-Challan data to 25 field offices, as Horizontal Cross-Cutting Performance Audit (PA) on 'Functioning of RTOs' was in progress.

Further, CDMA has given online training to officials of O/o PAG (Audit-II) Maharashtra, PAG (Audit-II) Karnataka, PAG (Audit) Mizoram, PAG (Audit-II) Uttar Pradesh, PAG (Audit) Uttarakhand and PAG (Audit) Andhra Pradesh on VAHAN, SAARTHI and E-Challan datasets.

Additionally, a Manual on VAHAN and SARATHI database was prepared and uploaded on the KMS portal on official website of the SAI India.

CDMA also validates the results of data analysis performed by field audit offices and improvements are suggested.

A list of such activities performed during the year 2024-25 is given below:

Technical support		Audit topic/Office
Validation of data analysis results reported in Audit Reports	1.	PA on Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) Scheme, O/o PAG (Audit-II), Uttar Pradesh
	2.	SSCA on working of Road and Transport Department in Union Territory of Dadra and Nagar Haveli and Daman and Diu for O/o DGA, Central, Ahmedabad
	3.	PA on Skill Development under PM Kaushal Vikas Yojana for O/o DGA (Central Expenditure), New Delhi
	4.	Draft Para on "Avoidable Expenditure on Re-carpeting of Roads" for O/o DGA (Central), Chandigarh
	5	Report validation for Scholarship Scheme Audit of O/o PAG (Audit-I) Madhya Pradesh
Data Restoration	1.	National Generic Document Registration System (NGDRS) data for O/o PAG (Audit), Goa
	2.	Restoration of VLC data for all 28 States on rental server for graph database procured by IS wing

Technical support		Audit topic/Office
	3.	Restoration and dissemination of Jaipur Vidyut Vitran Nigam Limited data for Rajasthan office
	4.	Data restoration of Directorate General of Foreign Trade data and sseminated to Customs Wing
	5.	Data restoration of various airports for 'Airport Information Management System (AIMS)' audit (Lead Office – Office of the DG of Audit (Infrastructure), New Delhi

Data Dissemination and Data Analysis as a Service	1.	Queries based on the possible audit objections were executed and result files were shared pertaining to PA on 'Implementation of CSC 2.0 Project' with O/o DGA (Finance & Communication), Lucknow Branch
	2.	Queries based on the possible audit objections were executed and result files were shared pertaining to 'Implementation of RFID Tags (Radio Frequency Identification Tags) based electronic toll collection on National Highways' with O/o DGA (Infrastructure), New Delhi
	3.	Queries based on the possible audit objections were executed and result files were shared pertaining to Horizontal Cross-Cutting PA on 'Functioning of RTOs' with O/o PAG (Audit) Delhi
	4.	Queries were executed to fetch district wise information from VAHAN database in prescribed format on request of O/o PAG (Audit -II) Uttar Pradesh
	5.	Details regarding registration, vehicle class, category, sale amount and status was extracted from VAHAN database on request of CR wing of HQs office
	6.	Data analysis for externalities of subsidy in DISCOM for O/O PAG (Audit) Delhi
	7.	Data analysis of Miners data from Indian Bureau of Mines and DG Systems for PA on 'Assessment, Levy & collection of GST on Minerals' for GST Wing
Other Logistic support activities	1.	Technical Support to O/o DGA (I&CA) for data access, storage and restoration in respect of Government e-Marketplace (GEM). (Status: On-going)
	2.	Technical Support to O/o DGA (F&C) for seeking data access in respect of Public Financial Management System (PFMS)
	3.	Technical Support to O/o DGA (Infrastructure) for seeking data access and subsequent restoration for 'Airport Information Management System (AIMS)' (Status: On-going)
	4.	Technical support to Officer Trainees batch 2023, NAAA Shimla for data analytics project(s)

4.3.4 Capacity Building

CDMA has been organising capacity building programmes on various tools and technologies through both in-house and outsourced training programmes. An Online training on Tableau was arranged through UNEECOPS for 95 field offices.

CDMA is also involved in training of IA & AD employees and provide training on general understanding of data analytics and associated tools such as basics of IDEA, Knime, Tableau, Power BI, R programming language, python programming language, SQL etc. These trainings were arranged in:

a. National Academy of Audit and Accounts, Shimla (January 2025)

b. Institute of Government Accounts and Finance (INGAF) (May 2024)

c. International Centre for Information Systems and Audit – iCISA

d. Other RCBKI/RCBKCs

4.3.5 Other initiatives

a. CDMA Student Internship Programme was rolled out and one student intern was hired in August 2024.

b. Evaluation of STMs was carried out for K&CB wing of HQs.

c. Drafting of Non-disclosure agreement for field offices while disseminating data to external agencies like Centers of Excellence.

d. Proof of Concept with Microsoft for building large language model (LLM) on DBT reports.

CDMA has also been involved in distribution of Tableau explorer (2,793 licenses)/viewer (2,265 licenses)/creator (35 licenses) to 102 field offices. More and more field offices are actively engaging with the Tableau server for accessing and analysing data-driven insights.

In addition to the above, CDMA also evaluates the technical specifications of the hardware/software requirements of field offices and accordingly make recommendations to the IS wing for procurement thereof. During 2024-25, CDMA has evaluated proposal of hardware upgradation for O/o PAG (Audit) Chhattisgarh and O/o PAG (Audit) Haryana.

4.3.6 IT Audit and related activities

As per established process for audit of IT systems, IS-II wing headed by CTO provides support in risk based audit planning, execution and drafting of IT Audit assignments to the field audit offices.

Common topics like audit of IFMS, e-Procurement and Crime and Criminal Tracking Network & Systems (CCTNS) were taken up by several audit offices. Audit of ERP System of Heavy Water Board has been carried out during the period.

4.3.7 Websites/web portals

IS wing had developed and launched a main site and a bouquet of sub-sites (133 Nos.) for each field office of the SAI India in the year 2020. The contents material related to headquarter office webpages is being uploaded regularly by IS wing in addition to the publishing of the Union Audit Reports.

4.4 IT initiatives for Accounts & Entitlement functions

4.4.1 End-to-end digitisation

End-to-end digitisation of Entitlement functions [Pension, General Provident Fund (GPF) and Gazetted Entitlement (GE)] to enable prompt and paperless delivery of services has been a focus area of the Government Accounts (GA) Wing.

Status of end-to-end digitisation of Pension, GPF and GE function is as under:

i. **Pension Function:** Out of the 20 offices handling Pension functions, six offices (Andhra Pradesh, Haryana, Punjab, Kerala, Odisha and West Bengal) have successfully achieved complete end-to-end digitisation of Pension processes. The remaining offices are at various stages of developing and digitising of the Pension modules. Details are given in **Annexure-I.**

ii. **GPF Function:** Out of the 22 offices handling GPF functions, 11 offices (Andhra Pradesh, Chhattisgarh, Haryana, Kerala, Madhya Pradesh-II, Maharashtra-I & II, Odisha, Tamil Nadu, Tripura and Uttarakhand) have achieved complete end-to-end digitisation of GPF processes. The remaining offices are at different stages of developing and digitising of GPF modules. Details are given in **Annexure-II.**

iii. **GE Function:** Out of the nine offices handling GE functions, two offices (Kerala and Karnataka) have achieved complete end-to-end digitisation of GPF processes. The remaining offices are at various stages of developing and digitising of GE modules. Details are given in **Annexure-III.**

4.4.2 Project on Digitisation of records of Entitlement functions

Old records relating to entitlement functions (Pensions and GPF) are very difficult to maintain and retrieve at the time of revision/updating. As such, an end-to-end Document Management System (DMS) was conceived, which would not only reduce the time taken to finalise cases but also facilitate a very robust back-up and recovery of information for decision making. It would also release office space, be cost effective and environment friendly. Further, it would help in business continuity planning and facilitate work from anywhere.

The project was initiated to digitise approximately 10 crore pages across nine field offices, with the work awarded in February 2021. Digitisation is currently underway at all nine sites and around 5.40 crore pages have been digitised so far. A DMS has been developed by one of the vendors executing the digitisation work.

In other offices handling entitlement functions, digitisation of records is being carried out either in-house or with the support of the respective State Governments. Out of a total of 19.25 crore pages targeted for digitisation, approximately 17.82 crore pages related to Pension, GPF and GE records have been digitised so far. Complete digitisation of both Pension and GPF records has been achieved in five offices (Punjab, Nagaland, Odisha, Haryana and Telangana). Additionally, eight offices (Andhra Pradesh, Gujarat, Haryana, Maharashtra-I, Nagaland, Odisha, Tamil Nadu and Telangana) have completed digitisation of all GPF records. The Bihar office has completed digitisation of GE records. In the remaining offices, the digitisation process is ongoing. Upon completion, all the digitised data for all offices will be hosted on the centralised Virtual Entitlement Data Access System (VEDAS), which is currently under development.

4.4.3 Promoting Citizen-Centric Service Delivery through Digi Locker

Government of India has launched National "Single Sign On (SSO)" Portal named Meri Pehchaan, which brings together 3 SSO service providers under Ministry of Electronics and Information Technology (MeiTY). Ministry of Finance, Government of India, requested all offices to integrate their platforms and applications with any of the SSO service providers i.e., Jan Parichay from NIC, e-Pramaan from C-DAC and Digilocker from NeGD.

As per request of NeGD division of MeiTY, GA Wing has requested all PAsG/AsG (A&E) to facilitate e-PPO, e-GPO, e-CPO, General Provident Fund and Family Pension through Digilocker. A Nodal officer has been nominated from each A&E office to facilitate on-boarding on Digilocker. On boarding of Pension/GPF authorisations would help citizens access their PPOs without any hassle.

Digilocker facility for Pension/GPF has been implemented in Andhra Pradesh, Haryana, Kerala, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Telangana, Uttarakhand and West Bengal. All the remaining Offices/States are in different stages of implementing/integrating Digilocker.

4.5 IT Initiatives in IAAD Estate Management

We have undertaken several key IT initiatives aimed at enhancing transparency, efficiency and accountability in estate management in IAAD. Central to these efforts is the CAG Estates Explorer (CAGEE)—a comprehensive digital platform capturing details of land, residential quarters, office buildings and guest houses across IAAD. The project aims at verification and legal scrutiny of estate-related documents, safeguarding and presentation of IAAD Estates using Tableau Dashboard, enabling data-driven decision-making. We are also undertaking process automation (viz., online allotments, workflow etc., thus improving efficiency and transparency.

Additionally, we have digitised key reports and returns, including Disaster Management and Operational Continuity Plan (DMOCP), data on occupancy trends, satisfaction levels, alternate use of quarters etc., and using secure in-house tools under the OIOS platform. This has ensured timely submissions, monitoring and data integrity.

These initiatives reflect a strategic shift towards digital governance and modern estate administration in IAAD.

Annexure-I

End-to-End digitisation of Pension function

Pension	AG Office				State Government		
State	System generated PPO/e-GPO/e-CPO	Digitally signed ePPOs/GPO/CPO	Uploading of e-PPO/GPO/CPO on IFMS/HRMS / AGO website or send through email	Electronic DAK System-Pension	Online receipt of Pension Application	e-Service Book	HRMS/IFMS w.r.t Pension
Haryana	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Odisha	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Andhra Pradesh	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Punjab	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kerala	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Maharashtra-I	Yes	Yes	Yes	Yes	Yes	No	Yes
West Bengal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Maharashtra-II	Yes	Yes	Yes	Yes	Yes	No	Yes
Assam	Yes	Yes	Yes	Yes	Yes	Yes	No
Tamil Nadu	Yes	Yes	Yes	Yes	No	Yes	Yes
Telangana	Yes	Yes	Yes	Yes	No	No	No
Tripura	Yes	Yes	Yes	Yes	No	No	No
Nagaland	Yes	Yes	Yes	Yes	No	No	No
Himachal Pradesh	Yes	Yes	Yes	Yes	No	No	Yes
Manipur	Yes	Yes	Yes	No	No	No	No
Meghalaya	Yes	Yes	Yes	Yes	No	No	No
Jammu and Kashmir	Yes	Yes	Yes	No	No	No	No
Jharkhand	Yes	Yes	No	No	Yes	No	Yes
Karnataka	Yes	Yes	Yes	No	No	No	No
Bihar	Yes	No	No	No	No	No	No

Annexure-II

End-to-End digitisation of GPF function

GPF	AG office				State Government
States	System generated GPF authority	Digitally signed e-GPF authority	Uploading of e-Authority on IFMS/HRMSAGO website or send through email	Electronic DAK system	Online GPF application
Haryana	Yes	Yes	Yes	Yes	Yes
Kerala	Yes	Yes	Yes	Yes	Yes
Chhattisgarh	Yes	Yes	Yes	Yes	Yes
Tripura	Yes	Yes	Yes	Yes	Yes
Odisha	Yes	Yes	Yes	Yes	Yes
Madhya Pradesh-II	Yes	Yes	Yes	Yes	Yes
Tamil Nadu	Yes	Yes	Yes	Yes	Yes
Andhra Pradesh	Yes	Yes	Yes	Yes	Yes
Uttarakhand	Yes	Yes	Yes	Yes	Yes
Maharashtra-I	Yes	Yes	Yes	Yes	Yes
Telangana	Yes	Yes	Yes	Yes	No
Nagaland	Yes	Yes	Yes	Yes	No
Karnataka	Yes	Yes	Yes	Yes	No
Maharashtra-II	Yes	Yes	Yes	Yes	No
UP-I	Yes	Yes	Yes	Yes	No
UP-II	Yes	Yes	Yes	Yes	No
Himachal Pradesh	Yes	Yes	Yes	Yes	No
West Bengal	Yes	Yes	Yes	Yes	No
Meghalaya	Yes	Yes	Yes	Yes	No
Manipur	Yes	Yes	Yes	Yes	No
Assam	Yes	Yes	Yes	Yes	No
Gujarat	Yes	No	No	Yes	No

Annexure-III

End-to-End digitisation of Gazetted Entitlement (GE) function

GE	AG Office				State Government	
State	System Generated Payslips (GE)	Digitally Signed Payslips (GE)	Electronic copy of Payslip/others	Processing Through GEMS/GE Software (GE)/Physical	Electronic DAK System-GE (GE)	GEMS and HRMS interface (GE)
Kerala	Yes	Yes	Yes	GEMS	Yes	Yes
Karnataka	Yes	Yes	Yes	GEMS	Yes	Yes
Tamil Nadu	Yes	Yes	Yes	GEMS	Yes	No
Bihar	Yes	Yes	Yes	GE Software	Yes	No
Meghalaya	Yes	Yes	Yes	GEMS	No	No
Assam	Yes	Yes	Yes	GEMS/Physical (Both)	No	No
Jharkhand	Yes	No	No	GEMS	No	No
Nagaland	No	No	No	Physical	No	No
Manipur	No	No	No	Physical	No	No

CHAPTER-5

Audit Diwas 2024

5.1 Significance

The institution of the Comptroller and Auditor General of India traces its roots to the Auditor General of the British Crown in India, established under the Government of India Act 1858. On 16th November 1860, Sir Edward Drummond took charge as the first Auditor General. After India became independent in 1947, the Comptroller and Auditor General of India was established as a constitutional authority with the adoption of the Constitution of India in 1950. The role of the Comptroller and Auditor General of India has evolved through legislations and practices in British India and in independent India.

To mark the historic origin of SAI India and the contribution it has made to the good governance, transparency and accountability over the last 160 years, it was decided in 2021 to celebrate 16 November every year as 'Audit Diwas'. The Fourth Audit Diwas was celebrated on 16th November 2024.

The following activities marked the celebration of 'Audit Diwas' 2024:

5.2 Release of Value Added Products

As part of its annual celebrations, the CAG's organisation strives to introduce a defining element into its framework each year, which enriches its operations, either by providing a direction to the future or endorsing improved work practices or by strengthening stakeholder relations. The highlight of this year was the publication of 11 Value Added Products. These products, covering a range of topics, not only showcase the organisation's initiatives, innovations and best practices but also emphasise the substantial work done in promoting transparency and accountability through auditing and accounting functions.

The Value Added Products were prepared with the objective of providing a succinct overview of subject matters which require the attention of Senior Management in audited entities or to informing the public of learnings emerging from accounting and auditing work done by the CAG's organisation in governance areas.

These Value Added Products are expected to be a valuable resource to our stakeholders enabling them in better planning and management of resources.

Compendium on Audit of the Education Sector in India

The Compendium presents a macro view of the Audit of the Education Sector in India during the period 2011 to 2021, focussing on activities of the Government in the areas of School Education, Higher Education and Technical Education financed from the Appropriation Grant of the Union/States on Education. It includes findings from about 281 performance, compliance and financial audit reports of the Union Government and 30 States and UTs. The reports span a wide array of schemes and programmes implemented by the Union and State Governments. A brief history of the education sector tracing its evolution from colonial times to the present day and analysis of trends & changing patterns in educational financing during the last 10 years have also been included.

Compendium on Performance Audits on implementation of the 74th Constitutional Amendment Act: Landscape across India (Volume I)

An important area of focus in audit in recent years is Urban Local Self Governments, given their increased significance following enactment of the 74th Constitutional Amendment Act, 1992. Performance Audits have been conducted in several States to assess the effectiveness of implementation this Act. This Compendium contains the significant findings from the performance audit reports in 18 States. It attempts to draw comparison of the level of devolution and the autonomy that has been given to Urban Local Bodies in these 18 States. The compilation has been designed to provide reader-friendly depiction of the comparisons and the audit findings. Audit recommendations are also summarised in this Compendium.

e-book on 'Assessing the impact of Audit'

An important role of the Supreme Audit Institution is to function as an aid to management, by providing independent assessments of government financial management, operations & performance; and also follow up, to assess the extent to which the recommendations of audit have been implemented. The e-compendium 'Assessing the impact of Audit', has been prepared to highlight the impact of audit of the Indian Railways, mentioning the corrective actions taken by the Ministry of Railways on findings that featured in audit reports in the past five years, either through policy changes, revision of procedures or effecting recovery of various dues to the Railways. These remedial steps significantly improved the conduct of the Railways' operations and programmes, by lowering costs and simplifying administration, enhancing the quality and volume of services or improving effectiveness and eventually benefitting society.

Compendium on Asset accounts of Mineral and Energy Resources

The Government Accounting Standards Advisory Board (GASAB) released Asset Accounts on Mineral & Energy Resources for States and Union Territories in October 2022. The compendium on Asset Accounts on Mineral & Energy Resources reiterates NRA's relevance and highlights GASAB's leadership in stakeholder collaboration, training and capacity building. Furthermore, it underscores efforts to improve resource management and revenue optimisation, particularly through standardised mineral reporting practices across varied State systems.

Compendium on Asset accounts of Water Resources

Guided by the action plans laid out in the Concept Paper on NRA, water was identified as a key resource, leading to the development of tentative templates for water accounting in March 2023. These templates were finalised into tables with the help of inputs from States and Union Territories and eventually compiled in the shape of a Compendium of Asset Accounts on Water Resources. This Compendium provides a detailed analysis of the challenges facing India's water sector, including the shrinking availability of freshwater, declining water quality, overexploitation of groundwater, unequal distribution of resources and complex inter-State water disputes. The initiative not only strengthens data-driven governance but also supports better planning and sustainable management of the country's vital water resources.

'The Catalysts'… In Pursuit of Good Governance

The CAG of India continues to play a crucial role as a catalyst for good governance by promoting transparency, accountability and the efficient utilisation of public resources. The CAG's organisation has undertaken several initiatives that go beyond conventional methods of public auditing and accounting. Embracing innovation, the organisation has adopted new auditing methodologies, integrated modern tools and techniques and significantly advanced in IT-driven practices, aligning with the broader digital transformation of government operations. These progressive efforts and best practices were compiled into the fourth edition of the Compendium titled 'The Catalysts… in Pursuit of Good Governance'. This edition showcases a range of initiatives leveraging cutting-edge technologies, with a strong emphasis on digital tools that enhance audit planning, evidence collection, reporting processes and engagement with stakeholders.

SAI India: Professional Contributions in the International Arena

Over the years, SAI India has built a strong network of partnerships with Supreme Audit Institutions around the world through active and sustained participation in bilateral and multilateral forums. The Compendium highlights the significant experiences and impactful contributions made by officers of SAI India on the international stage. These officers have facilitated meaningful collaboration with the global audit community, promoting the exchange of best practices and innovations in public sector auditing. Their efforts have not only strengthened SAI India's credibility but have also established it as a respected and influential voice in the international audit arena. This recognition reflects the high standards upheld by SAI India and affirms the institution's role in advancing transparency, accountability and good governance globally.

Coffee table book – Strengthening Systems, Empowering Citizens

The dynamic governance ecosystem in India reflects a landscape shaped by technological advancements, improved delivery of services and increasing societal expectations. Strengthening systems of governance and public administration can significantly empower citizens by enhancing transparency, accountability and responsiveness in government functioning. SAI India has responded to the changing dynamics by adopting a more agile approach in the discharge of core functions and building resilient systems that can effectively address the demands of good governance. Through the adoption of innovative methods and modern techniques, the institution has contributed to better outcomes and more efficient public service delivery. These transformative initiatives were compiled in a Coffee Table Book showcasing SAI India's commitment to system strengthening and citizen empowerment.

Compendium of Comments Issued as a Result of Financial Audit by the CAG

A new initiative was undertaken to compile comments issued by the CAG of India on the Financial Statements of Central Public Sector Enterprises (CPSEs) and Statutory Corporations over the past four years, covering the period from 2020–21 to 2023–24. These comments have been systematically categorised under six key headings: Profitability, Financial Position, Cash Flow Statement, Disclosure, Auditors' Report and Other Comments. This Compendium aims to serve as a

comprehensive and accessible resource for a wide range of stakeholders—including legislators, government executives, academia and the general public—offering valuable insights into the CAG's work in the domain of financial audit and contributing to greater financial transparency and accountability.

Compendium on Audit Observations in the Energy Sector

The Compendium was developed to consolidate audit observations in the Energy Sector over a ten-year period from 2013 to 2023. This initiative covers audit findings related to entities under three key Ministries—Ministry of Coal, Ministry of Petroleum & Natural Gas and Ministry of Power. The Compendium brings together 18 compliance audit reports comprising 193 individual audit observations, eight Standalone compliance audit reports and 21 performance audit reports issued during this period. In addition to the audit findings, it also documents significant corrective actions undertaken by the audited entities in response to these observations. This compilation serves as a valuable reference for stakeholders, offering a holistic and in-depth view of the CAG's oversight in the energy sector and highlighting the role of audit in driving systemic improvements and good governance.

Catalysing Governance: Insights from Audit of Central Public Sector Enterprises

The Compendium reflects SAI India's continued commitment to the global audit community, particularly in support of the Asian Organization of Supreme Audit Institutions (ASOSAI), which has established a dedicated working group on State-owned Enterprises audit. Recognising the critical role of CPSEs in driving economic growth and stability, this Compendium offers a comprehensive overview of SAI India's audit mandate, the various types of audits conducted and the processes followed in auditing these enterprises. It features highlights from significant audit reports presented in Parliament between 2020 and 2024. The Compendium also showcases the impact of performance audits, compliance audits and financial audits of CPSEs, along with illustrative comments issued by the CAG on their financial statements during this period. In addition to providing valuable insights into the audit of CPSEs, this publication aims to further strengthen collaboration, knowledge sharing and collective learning within the international SAI fraternity.

5.3 Video podcast on 'Use of Artificial Intelligence for making podcasts of Audit Reports'

In 2023, SAI India assumed leadership of the Shanghai Cooperation Organization (SCO) and hosted the 6th SCO SAI Heads Meeting. The meeting explored the technological horizons of the theme, 'Integrating Emerging technologies in Audit' covering Artificial Intelligence & Cyber Security and underscored the need to nurture a strong ecosystem of technology and innovation within Supreme Audit Institutions.

Against this backdrop, a podcast was attempted in the CAG's organisation using Artificial Intelligence. This is a podcast on the Performance Audit on Energy Management in Train Operations and Renewable Energy Initiatives in Indian Railways - Report of the Comptroller and Auditor General of India for the year ended March 2022 (Report No. 6 of 2024) which was laid in both Houses of Parliament in August 2024. Artificial Intelligence offers tools and applications that can automate

several aspects of podcast creation, from writing scripts to enhancing audio quality and producing the final podcast episode. The visual podcast was attempted using 'Visla' which is an AI powered video creation tool. The video podcast was released on the occasion of the fourth Audit Diwas.

5.4 Exchange of MoU between CAG and CRISP for collaboration for convergence of PAs and Social Audits

The main focus of SAI India is on national priorities that are aimed at improving the quality of life of the citizens. In pursuance of this, it focusses on audit of schemes and programmes being implemented by the Government of India or the State Governments, which have a large public interest. With a view to identify such schemes which are amenable for convergence of performance audits and social audits, an MoU was entered into between the CAG's office and Centre for Research in Schemes and Policies (CRISP) to collaborate on convergence of PAs and Social Audit. CRISP, a not-for-profit society, is an initiative by a group of retired civil servants who worked at the highest level of policy making and aim to give back to society by working with the State and Central Governments to improve the development impact of programmes and policies being implemented. Both parties exchanged the MoU on the historic occasion of Audit Diwas 2024.

5.5 CAG's awards for Innovation and Excellence in Public Auditing and Accounting

The CAG of India instituted the scheme for 'CAG's Awards for Innovation and Excellence in Public Auditing and Accounting' in the year 2021 to recognise and reward the extraordinary and innovative work done by the officers and staff of the Indian Audit and Accounts Department in the areas of public auditing, accounting, entitlement and support functions.

Commitment to innovation and excellence are the key drivers in taking any organisation forward. The CAG's Awards seek to recognise team excellence as well as all round qualitative performance from an organisational perspective. CAG's Awards for the year 2024 were given in two categories:

Category I – CAG's Awards for innovation and excellence in public auditing and accounting

The awards were given to teams involved in conceiving and executing an innovative, extraordinary and impactful initiative. The scope of the awards includes innovation and excellence to promote new and creative ideas in the functioning of the organisation in auditing processes, audit reports & other audit products, accounting processes & financial reporting, entitlement processes and service delivery, administrative efficiency, knowledge & capacity building etc.

This year, 26 eligible applications were received from various field offices of SAI India and wings in the office of the CAG of India. Six teams were declared as the winners of the Awards, which were conferred by the CAG on 'Audit Diwas' – 16 November 2024.

The award winning projects (in alphabetical order) are as follows:

Sl. No.	Awarded Project	Office	Team
1.	Audit of Online Registration Application of Tamil Nadu	The Office of the Principal Accountant General (Audit-II), Tamil Nadu & Puducherry	1. Mr. Vishwanath Singh Jadon, IA&AS 2. Mr. J S Mohamed Ashraf, IA&AS 3. Ms. G. Radhika, Sr. Audit Officer 4. Mr. Charles Devadas Selwyn, Asst. Audit Officer 5. Ms. B. Nirmala, Asst. Audit Officer 6. Ms. R. Akshaya, Asst. Audit Officer
2.	Development and implementation of the Departmental Canteen Management System	Office of the Principal Accountant General (Accounts & Entitlement), Odisha	1. Mr. Kulwant Singh, IA&AS 2. Mr. Sreeraj Ashok, IA&AS 3. Mr. V. Ananda Bhatta, Asst. Accounts Officer 4. Mr. Gaurav Yadav, Asst. Accounts Officer 5. Mr. Biswo Prakash Sahoo, Canteen Manager
3.	Implementation of e-NDC	Office of the Principal Accountant General (Accounts & Entitlement), Odisha	1. Ms. S. Aruna, IA&AS 2. Mr. Saroj Kumar Behera, Sr. Accounts Officer 3. Mr. Praveen Kumar, Asst. Accounts Officer 4. Ms. Nivedita, Asst. Accounts Officer 5. Mr. Ashok Kumar Mishra, Asst. Accounts Officer 6. Mr. Kadu Murmu, Asst. Supervisor
4.	Phase-3 of GPF Management in AG (A&E), Kerala	Office of the Accountant General (Accounts & Entitlement), Kerala	1. Ms. Usha S Pillai, IA&AS 2. Mr. Suresh A, Sr. Accounts Officer Consultant) 3. Mr. Sreevalsan M, Sr. Accounts Officer 4. Ms. Navami J, Asst. Accounts Officer 5. Ms. JayaPrasad, Asst. Accounts Officer 6. Mr. Krishna Kumar P, Asst. Supervisor
5.	Problem Oriented Performance Audit on "Degradation of Kshipra River"	Office of the Accountant General (Audit-II), Madhya Pradesh	1. Mr. Mehul Grover, Director, IA&AS 2. Mr. Deo Prakash, Sr. Audit Officer 3. Mr. Sumit Kar, Sr. Audit Officer 4. Mr. Saurabh Pratap Singh, Asst. Audit officer 5. Mr. Upendra Yadav, Asst. Audit officer 6. Mr. Ajay Batra, Asst. Audit officer
6.	Use of Python in Determining Cartel Formation used in the Performance Audit on the Construction & Maintenance of Roads by the State Highways Department	Office of the Principal Accountant General (Audit-II), Tamil Nadu & Puducherry	1. Mr. K.P Anand, IA&AS 2. Mr. Vishwanath Singh Jadon, IA&AS 3. Ms. Narendra V Nikhila, IA&AS 4. Ms. Leela Sivaraman, Sr. Audit Officer

Category II- CAG's Awards for Office of the Year

This Award seeks to recognise offices working in the spheres of Accounting, Auditing and Knowledge & Capacity Building, based on performance during the year 2023-24 as well as improvement over the previous year (2022-23). The selection of 'Office of the Year' was done through a process of objective assessment on certain prescribed parameters in administrative and functional areas of work. Each office performed a self-assessment for the laid down parameters and awarded scores. The self-assessments have undergone a rigorous process of verification, first by the functional wings and thereafter, independently by the Inspection and Peer Review wing of the CAG office. CAG's Awards were given under four categories of field offices viz., Accounts & Entitlement, State Audit, Union Audit and Capacity Building & Knowledge Institutes/Centres.

The 'Office of the Year' in these categories were:

Union Audit Offices - Office of the Principal Director of Audit (Central), Bengaluru

State Audit Offices - Office of the Principal Accountant General (Audit – I), Kerala

Accounts & Entitlement offices - Office of the Principal Accountant General (A&E – I), maharashtra

Capacity Building and Knowledge Institutes/Centres - Regional Capacity Building and Knowledge Institute, Jaipur

5.6 National Essay Writing Competition

As part of Audit Diwas celebrations, the CAG of India organised the third National Essay Writing Competition, open to university students across the country. For the first time, the competition was conducted on-the-spot at 38 designated locations nationwide. Held in both English and Hindi, participants were invited to write on the topic: *"How can CAG Audit better serve the primary stakeholder – the people of India."*

The event received an enthusiastic response, with 1,452 students from diverse regions participating. Essay submissions were evaluated in two stages by a panel of experts from the CAG's organisation to ensure a thorough and fair assessment. Following the evaluation process, three winners in each language category—English and Hindi—were declared. The winners are:

English

Prize	Recipient	Profile of the Recipient
First	Ms. Manavi Sarkar	Student at Deen Dayal Upadhyaya College, University of Delhi
Second	Mr. Dharmendra Kumar Jangir	Student at Jawaharlal Nehru University, New Delhi
Third	Ms. Saneya Rafeeque Siddqui	Student at University College of Engineering, Osmania University, Hyderabad

Hindi

Prize	Recipient	Profile of the Recipient
First	Mr. Ajay Sihag	Student at University Rajasthan College, Jaipur
Second	Mr. Rakshak Tyagi	Student at Army Institute of Law, Mohali
Third	Mr. Abdullah	Student at Jamia Millia Islamia, New Delhi

The winners were presented with cash prizes of ₹50,000 (First prize), ₹40,000 (Second prize), ₹30,000 (Third prize) respectively by the CAG of India, on 16th November 2024 on Audit Diwas.

5.7 Quiz Competition

As part of youth outreach initiatives, the first-ever quiz competition was organised for college students in the Delhi NCR region. The preliminary round was conducted on 6 November 2024, with enthusiastic participation from students representing 30 colleges across the region. Based on their performance, six top teams qualified for the final round, which was held on 16 November 2024. The finalist teams were from Shri Ram College of Commerce, Hansraj College, Hindu College, Sri Venkateswara College, Ramjas College, and PGDAV College.

The quiz was conducted by Shri Aryapriya Ganguly, Associate Dean at the Indian School of Business and Finance and an alumnus of St. Stephen's College, Delhi University.

The winners of the competition were:

Prize	Recipient	Participants
Winner	Hindu College	Mr. Sameer Kumar Upadhyay Mr. Yuvraj S Singh
Runners up	Ramjas College	Mr. Navneeth M Kumar Mr. Lakshya Rawtani

The Winner and Runners-up teams of the Quiz Competition were awarded with cash prizes of ₹30,000 and ₹20,000 respectively.

5.8 Felicitating excellence beyond the workplace

While the employees of the CAG's organisation continue to demonstrate excellence in the performance of their core responsibilities, many have also made remarkable contributions in fields beyond their professional duties. Among them are sportspersons who have achieved distinction in competitive sports while maintaining their professional commitments. One such individual is Shri Mohammed Raheel Mouseen, a talented hockey player, who works as an Accountant in the office of the Principal Accountant General (A&E), Karnataka. He has represented not only the CAG's organisation but also the Karnataka State and the Indian national team in numerous domestic and international hockey tournaments. His most notable achievement came in the 2024 Asian Champions Trophy, where he was a key member of the Indian team that successfully defended its title and secured the Gold medal. The CAG of India felicitated Shri Mohammed Raheel Mouseen during the Audit Diwas.

CHAPTER-6

Other activities, no less important

6.1 Efforts to promote Official Language

6.1.1 Publications

a) During the year 2024-25, four issues (145, 146, 147-148th (joint issue) and 149th) of the quarterly e-magazine *'Lekhapariksha Prakash'* from the *Rajbhasha* Section (Headquarters Office) were published. To promote the official language, special attention is given to the quality of the content and compositions within the magazine, adhering to the norms laid down by the Department of Official Language, Ministry of Home Affairs, Government of India.

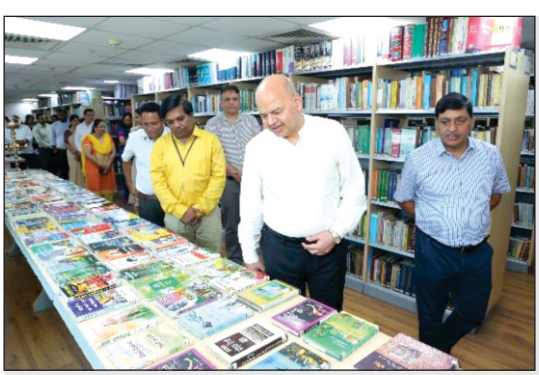
b) The field offices of SAI India also publish their own Hindi magazines/Journals annually/half yearly/quarterly. During the year, 62 offices published their magazines/journals.

6.1.2 Implementation of Official Language

a) As per the annual program of the Department of Official Language, Ministry of Home Affairs, Government of India, a meeting of the Official Language Implementation Committee is required to be held quarterly under the Chairmanship of the Deputy Comptroller and Auditor General to review the use of the official language in the Headquarters office.

In compliance with the above, the 187th, 188th, 189th and 190th quarterly meetings were held to review the use of the Official Language at Headquarters.

b) To promote the Official Language, Headquarters organised 'Hindi *Fortnight*' from 16 September to 30 September 2024. During this period, various competitions such as English to Hindi translation and vice versa, noting and drafting, Hindi typing and essay writing in Hindi were organised. This initiative was also successfully implemented in our regional offices, helping to create awareness and enthusiasm among employees towards the implementation of the Official Language.



Officers and staff reviewing exhibition during 'Hindi Pakhwada' (week)



Prize distribution ceremony during 'Hindi Pakhwada' by CAG of India

c The following offices were inspected by the 3rd Sub-Committee of The Committee of Parliament on Official Language during 2024-25:

Sl. No.	Name of the Office[22]	Date
1.	Office of the Director General of Audit (Commercial), Hyderabad	23 October 2024
2.	Office of the Director General of Audit (Infrastructure), New Delhi	26 December 2024
3.	Office of the Principal Director of Audit (Central), Mumbai	16 January 2025
4.	Regional Capacity Building and Knowledge Institute, Jaipur	7 March 2025
5.	Office of the Principal Accountant General (Audit)-I, Rajasthan, Jaipur	7 March 2025

d) 46th Annual Meeting of 'Central Official Language Implementing Committee (COLIC)' organised by the Department of Official Language, (Ministry of Home Affairs on 22 - 23 October 2024 was attended.

e) The quarterly progress report of our office was submitted to the Official Language Department online every quarter within the prescribed timelines.

6.1.3 Inspection of Field offices and Sections of Headquarters

As per the target set by the Department of Official Language (Ministry of Home Affairs) in its annual programme, minimum 25 *per cent* of the regional offices and Headquarters sections of the CAG office are expected to be inspected by the Rajbhasha Section annually. In 2024-25, 51 regional offices and 17 Headquarters sections were planned and inspected.

6.1.4 Translation

As per Section 3 (3) of the Official Languages Act, the following documents were translated into Hindi before circulation:

(a) Audit Reports (Accounts, Commercial, Railway, Direct and Indirect Taxes) to be laid before Parliament.

(b) Annual Report, Press Releases, The Catalyst, General Orders, Rules, Speeches, MoUs, Notifications, Contracts & Agreements and Tender Notices.

(c) Various documents and drafts prepared on the occasion of Audit Diwas 2024.

(d) Other petty translations sought from various Sections/Secreatariats on short notices.

6.1.5 Promotion of Official Language through e-Office

To promote a paperless system and digital storage, e-Office was implemented in the Rajbhasha Section. Various files/documents were created within this system. Employees can now access all information quickly and easily. Within this e-Office system, all online official correspondence is conducted in Hindi.

6.1.6 Training cum Workshop Programme

a. An Online Module on *Rajbhasha* Report Management System (OMRRMS) was successfully developed to enable Field Offices to submit their Monthly / Quarterly / Annual reports online to *Rajbhasha* Section of Headquarters. In this regard, a full day Online Training cum Workshop was conducted by the Hqrs on 10th September, 2024 for all Field Offices. The same programme also consisted workshop on *Kanthastha* 2.0. All Sections of Hqrs were imparted the same training offline. Since October 2024, The Hqrs office has been receiving all its Reports online through OMRRMS from nearly all its Field Offices.

b. *Rajbhasha* Section of Hqrs also imparted an offline training to All IA&AD Offices of Punjab and Haryana on 22nd November, 2024 in Chandigarh on OMRRMS and *Kanthastha* 2.0.

c. A one-day practice-based training program on Hindi Translation *(Anuwad)* tool, *'Kanthastha* 2.0', organised by the Department of Official Language, Ministry of Home Affairs, from 12 to 14 February 2025 was attended by all the translators of the *Rajbhasha* Section.

d. In compliance with instructions of *Rajbhasha Vibhag* of Ministry of Home Affairs, *Rajbhasha* Section of CAG Hqrs issued directions to Field Offices for imparting Hindi Training and Workshops. 56 Field Offices conducted various Hindi training programmes, workshops etc., for their staff.

6.1.7 *Hindi Pakhwada*/Fortnight

Apart from organising *Hindi Pakhwada*/Fortnight in CAG office, Field Offices also celebrated Hindi Pakhwada/Fortnight to celebrate the *Hindi Diwas* alongwith *Hindi Pakhwada*/Fortnight.

6.2 Staff Rotation Policy

Job rotation or the systematic movement of staff from one role to another, within the organisation at appropriate intervals, is an important feature of a modern day human resource management. It helps staff members to develop knowledge, new skills and a broader understanding of the organisation. For the organisation, it helps to enhance efficiency and improving the morale and motivation of the staff.

Adopting a sound and systematic rotation policy would be in line with our Institutional and People values enshrined in SAI India Strategic Plan 2023-30 and would help to strengthen our internal processes. It would contribute to improving the overall quality of our talent pool.

Consequently, the Staff Rotation Policy in HR wing at headquarters was formulated and implemented during the year 2024-25.

6.3 Transfer and Posting of Divisional Accountants Cadre

A revised policy, effective from January 2025, ensures transparency and fairness through a three-member committee (Pr.AG/AG, PAG/AG (Audit), and a PD(P)-nominated member). A 10 *per cent* annual test check by the Government Accounts Wing ensures compliance.

6.4 Optimal Use of Manpower

Following the DOSS Committee's recommendations, orders for redeployment of excess manpower from the Finance & Communication Wing to Report Central Wing offices have been issued. In-principle approval has been accorded to Re-assign Railway Audit Wing's excess staff to Commercial and State Civil Audit offices. Implementation in A&E offices is on hold pending consultation with the GA Wing on revised manpower norms due to digitalisation.

6.5 Introduction of Accepting Authority in APAR

A three-tier APAR framework (Reporting Officer, Reviewing Officer, Accepting Authority) has been introduced to enhance transparency, accountability and objectivity in performance appraisals.

6.6 Revised Delegation of Financial Powers (DFPR)

Effective May 2025, the revised DFPR aligns with Government of India rules, promoting efficient decision-making, autonomy and accountability while maintaining financial oversight.

6.7 Transfer and Posting Policy for Rajbhasha Cadre

Effective September 2024, this policy is managed by the Principal Director/Director General (Staff) based on recommendations from a committee of three IA&AS officers (Director/Deputy Director rank).

6.8 Town Hall Meetings

In an endeavor to establish a two ways communication channel between Staff Wing at Headquarters and the stakeholders at field offices, Town Hall meetings are intended to create a space for open dialogues and feedback, enabling stakeholders to raise their concerns and suggestions directly to senior leadership, resulting in improving stakeholder engagement. Town Hall meetings in different locations across India were initiated.

During the year 2024-25, Town Hall Meeting at Chennai was held. During the meeting, the issues/grievances/suggestions off the stakeholders received were discussed and examined.

6.9 Participation and Achievement in Sports

CAG's sports teams have been actively participating in sports activities (both in India and Overseas) mainly in Cricket, Hockey, Football, Badminton and Table Tennis and have proudly won many accolades.

In **Hockey,** the team lifted the Runner-up trophy in K.D Singh Babu Hockey Tournament held in October 2024. Shri Rajkumar Pal of O/o the Director General of Audit (Finance & Communication) Delhi represented India in Olympics 2024 and the team won Bronze Medal in Hockey.

In **Football,** CAG's team participated in All India Public Sector Football Tournament held in July-August 2024 and secured 3rd place.

In **Table Tennis,** in 30th National Masters Championship 2023 held from 3 to 8 April 2024 at Hyderabad, CAG's Veteran Men's Teams (40+ and 50+ age category) won two Gold, two Silver and three Bronze medals. CAG's Veteran Women Team (40+ category) also won one Bronze medal.

In 31st National Masters Championship 2024 held from 17 to 23 February 2025 at Indore, CAG's Veteran Men's Team (40+ and 50+ age category) won five Silver and five Bronze medals. CAG's Veteran Women's Team (40+ age category) won two Bronze medals and in Mixed Doubles, one Gold medal.

CAG's Senior Mens Team won Bronze Medal in Inter Institution TT Championship- 2024-25.

In **Badminton,** CAG's Senior Team won Silver medal in Mixed Doubles in All India Senior Ranking Tournament at Bangalore in April 2024. The team also won a Gold and Silver medal in Men Doubles and Mixed Doubles events in All India Senior Ranking Tournament at Pune in July 2024.

CAG's Senior Team also won Gold medals in Men Singles, Women Singles, Men Doubles and Mixed Doubles event and four Silver medals in Men Team, Women Team, Women Singles and Women Doubles event in Central Zone Badminton Championship at Hyderabad in September 2024. The team won Silver medal in Mixed Doubles event in Senior National Badminton Championships at Bangalore in December 2024 too.

CAG's Veteran Team won six Gold and two Silver medals in Masters Nationals at Goa held in March 2025.

6.10 Infrastructure development

To augment office space, as well as residential units for use of IAAD at various stations all over India, several building projects have been taken up, as detailed below:

6.10.1 The following projects are completed

a. Ranchi- Construction of Sports complex (Football & Hockey ground).

b. Ranchi- Construction of office building for Central Audit offices.

c. Shimla- Repair, Rehabilitation and strengthening of Chadwick House.

d. Shimla- Restoration work of Gorton Castle building.

e. Rajkot- Restructuring/Furnishing of office building for establishment of International Centre for Audit of Local Governance (iCAL).

6.10.2 The following projects are under construction

a. Aizwal- Construction of residential quarters.
b. Bengaluru- Construction of an office building at H. Siddaiah Road.
c. Gandhinagar- Construction of an office building.
d. Gandhinagar- Construction of residential quarters.
e. Ranchi- Construction of Sports complex (Cricket ground).
f. Kolkata- Construction of residential quarters at Ultadanga.
g. Mumbai- Construction of residential quarters at Bhandup (Phase-I).

6.10.3 The following projects are at planning stage

a. Agartala- Construction of residential quarters.
b. Puri- Restoration/retrofitting of Dhenkanal House.
c. Puri- Construction of new office building.
d. Rajkot- New building for International Centre for Audit of Local Governance (iCAL).
e. Thiruvananthapuram- Construction of residential quarters.
f. Imphal- Construction of additional quarters.
g. Goa- Construction of Annexe building.
h. Mumbai- Construction of residential quarters at Bhandup (Phase-II).
i. New Delhi- Furnishing of hired office space in K Block, 7th Floor, WTC, Nauroji Nagar

6.11 National Academy of Audit & Accounts

6.11.1 Inauguration of Museum and Visit of the Audit Advisory Board

On 24 June 2024, Hon'ble CAG of India, accompanied by the members of the Audit Advisory Board (AAB) of the CAG, inaugurated the 'Chadwick House: Navigating Audit Heritage', a museum dedicated to the rich history and significant contributions of the CAG of India at Shimla.

The museum embodies the IAAD's enduring legacy and showcases its commitment to good governance and a steadfast belief that the CAG has been a cornerstone of our nation's governance, ensuring transparency, accountability and integrity in the management of public funds.



Chadwick House Shimla



Inauguration of Chadwick House Shimla by CAG of India

The museum comprises 10 galleries, each focusing on distinct themes related to the CAG's history and significance. Officer Trainees of the 2023 batch wholeheartedly participated in the inauguration event holding responsibilities in different galleries of the Chadwick House for guiding the dignitaries with its background and significance. Chadwick House stands as a beacon of historical significance, educating visitors about the CAG's contributions to Indian governance.

Members of the Audit Advisory Board were present on the occasion. The Officer Trainees (OTs) of 2023 batch took active part in welcoming the guests and gave a guided tour of the all the galleries to the CAG of India, Members of the Audit Advisory Board and other guests.

On the following day, the meeting of the Audit Advisory Board was held at the Academy. The OTs also made insightful presentation to the Audit Advisory Board on the following selected emerging areas:



Audit Advisory Board meeting at the Academy

1. Advanced Technology Tools for Effective Auditing
2. Use of AI in Audit for Improving Public Sector Delivery
3. Synergy between Social Audit and Local Governance Audit
4. Natural Resource Accounting (NRA): Right Measurements of Resources Leading to Better Management
5. Auditing for Disaster Resilience: Safeguarding Communities Through Accountability
6. CAG: Enhancing India's Global Soft Power

6.11.2 Inauguration of commemoration of 75 years of NAAA

The Academy began 75th year of its existence on 18 December 2024. To commemorate the historic occasion, a series of activities are being organised throughout the year. Shri Shiv Pratap Shukla, Hon'ble Governor of Himachal Pradesh inaugurated the celebrations on 18 December 2024 and a special postal cover in collaboration with the Department of Post was released on the occasion. Subsequent to above, a play on the theme "Journey of IA&AS Officer Trainees at Yarrows" highlighting the bonding and camaraderie the Officer Trainees develop at Yarrows, was organised at the historic Gaiety Theatre, the Mall Shimla on 1 February 2025.



Hon'ble Governor of Himachal Pradesh at the commemoration of 75 years of NAAA

6.11.3 Visit of Hon'ble Governor of Himachal Pradesh to Chadwick House Museum

Shri Shiv Pratap Shukla, Hon'ble Governor of Himachal Pradesh visited the Chadwick House Museum on 7 February 2025 and unveiled a special video commemorating 75 years of celebrations of the NAAA, highlighting the journey and achievements of the institution over the decades. He also inaugurated the Children Park at AIR Colony, Summer Hill, Shimla. The Children Park has been developed by NAAA to provide a recreational space for children in the area. Speaking on the occasion, the Governor appreciated the initiative as it significantly contributes to the well-being and holistic development of children. OTs of both the 2023 and 2024 batches took active part in the above event.



Shri Shiv Pratap Shukla, Hon'ble Governor of Himachal Pradesh visited the Chadwick House Museum on 7 February 2025

6.11.4 Report on State Finances of the State of Himachal Pradesh for the XVI Finance Commission

Given the domain expertise and relevant experience, the XVI Finance Commission had requested the academy to conduct a study on 'Evaluation of State Finances for the State of Himachal Pradesh'. The Academy prepared the report, engaging both the IA&AS Officer Trainees of 2023 batch and faculty members and submitted to the Finance Commission during the year. During the

course of preparation of the above report, the academy invited experts such as Dr. Shrikant Baldi, ex-chief Secretary and the Chairman of Real Estate Regulatory Authority (RERA) of the state of Himachal Pradesh and Dr. Pinaki Chakraborty, ex Chief Economic Adviser to the 14th Finance Commission, to share their inputs on the draft report.

6.11.5 Pragyan and other Lecture by Eminent Personalities

The academy invited Dr. Pawan Duggal, Cyber Law Expert & practicing advocate in the Supreme Court of India, to deliver a lecture on the topic of 'Cyber Security Landscape in India'. Furthermore, continuing with the practice of lecture by eminent personalities under Pragyan lecture series, this year Academy organised a lecture by eminent historian Prof. Ramachandra Guha on "Environment and Development" in March 2025.

6.11.6 Calling on the Hon'ble President of India

During the year, IA&AS Officer Trainees of 2024 Batch called on the Hon'ble President of India, Smt. Droupadi Murmu, at Rashtrapati Bhavan on 24 February 2025. There were 19 IA&AS Officer Trainees including two Officers from Royal Audit Authority (RAA), Bhutan.

Hon'ble President congratulated all the Officer Trainees and advised them to play a role in the great national effort of making India a developed nation by the year 2047.



Hon'ble President of India, Smt. Droupadi Murmu meeting with 19 IA&AS Officer Trainees including two Officers from Royal Audit Authority (RAA), Bhutan

6.11.7 Inauguration of the International Centre for Audit of Local Governance (iCAL)

The International Centre for Audit of Local Governance (iCAL), established in Rajkot, Gujarat, was inaugurated by CAG of India on 18th July 2024. It is a pioneering initiative by SAI India aimed at enhancing audit capacity, promoting financial performance assessment and service delivery by Local Governments. The iCAL would serve as a platform to train and empower auditors, elected representatives and executives involved in Local Government, contributing to the achievement of Sustainable Development Goals (SDGs).



CAG of India inaugurated iCAL, Rajkot

iCAL builds on SAI India's successful track record with other international training centers, such as iCISA and iCED, furthering its commitment to enhancing local governance audits and promoting global knowledge sharing and collaboration among Supreme Audit Institutions (SAIs). CAG of India has proposed (November 2024) iCAL to be designated as Nodal Training Center for the ASOSAI Working Group on Regional and Municipal Audit (ASOSAI WGRMA).

During 2024-25, six training programmes have been organised by iCAL including four programmes on *"Service Delivery Oriented Audit: What this New Paradigm Means and How to apply it in Audit"*.

6.11.8 Certificate Course for Accountant of Panchayats and Municipal Bodies conducted by iCAL

The O/o the CAG of India has entered into an MoU with the Institute of Chartered Accountants of India (ICAI) in August 2023 to develop a set of online certification courses for different categories of Local Governments. After completion of the course, candidates have to take two examinations viz., Screening Examination & Main Examination.

The results for the first batch and the second batch of the examinations for the Certificate Course for Accountant of Panchayats and Municipal Bodies have been declared in September 2024 and March 2025 respectively. A total of 191 candidates have qualified and are certified to discharge accounting functions in Local Governments. The list of the qualified candidates has been published on the Board for Local Bodies Accountants Certification (BLoAC) website https://lba.icaiarf.org.in/.

Section 4

Interaction with Stakeholders

Chapter 1
Our interaction with Legislative committees

Chapter 2
Audit Advisory Board

Chapter 3
Climbing the learning curve



Headquarters of SAI India

CHAPTER-1

Our interaction with Legislative Committees

Our primary stakeholders include the Parliament, State Legislatures and the citizens of the country. The Parliament and State Legislatures have Public Accounts Committees (PAC) and Committees on Public Undertakings (COPU), which examine the audit reports submitted by SAI India. Other key stakeholders include government departments and ministries, as well as organisations and individuals with specific interest in the subjects of the audits conducted by SAI India.

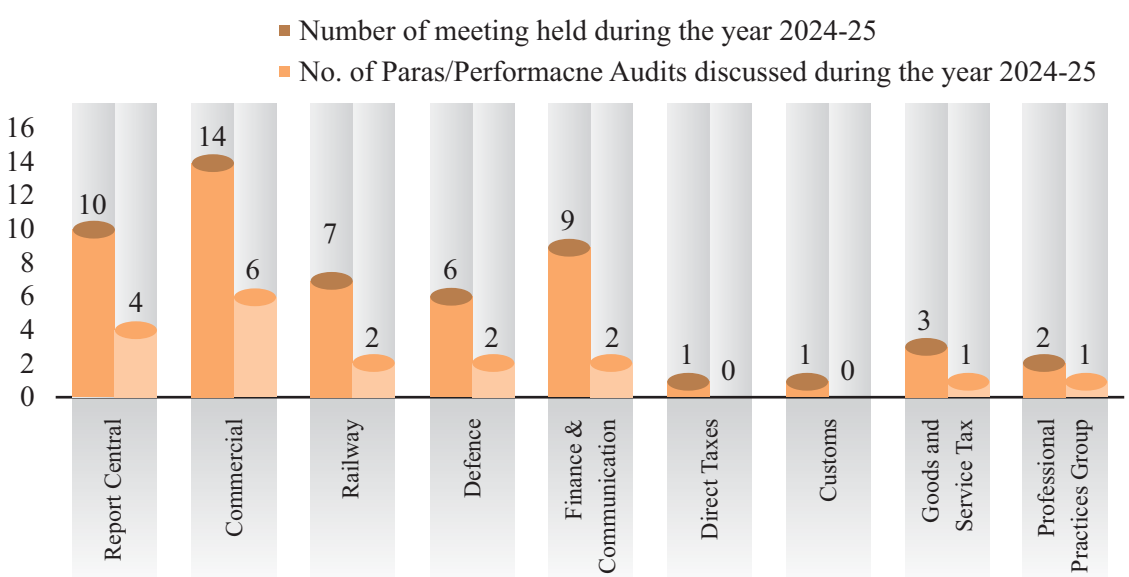
Communication with our stakeholders is a continuing and dynamic process. Our interaction with clients and stakeholders helps us in understanding their expectations from SAI India and gives meaning to the assurance and accountability that we deliver through our work.

1.1 Interaction with Public Accounts Committee and Committee on Public Undertakings

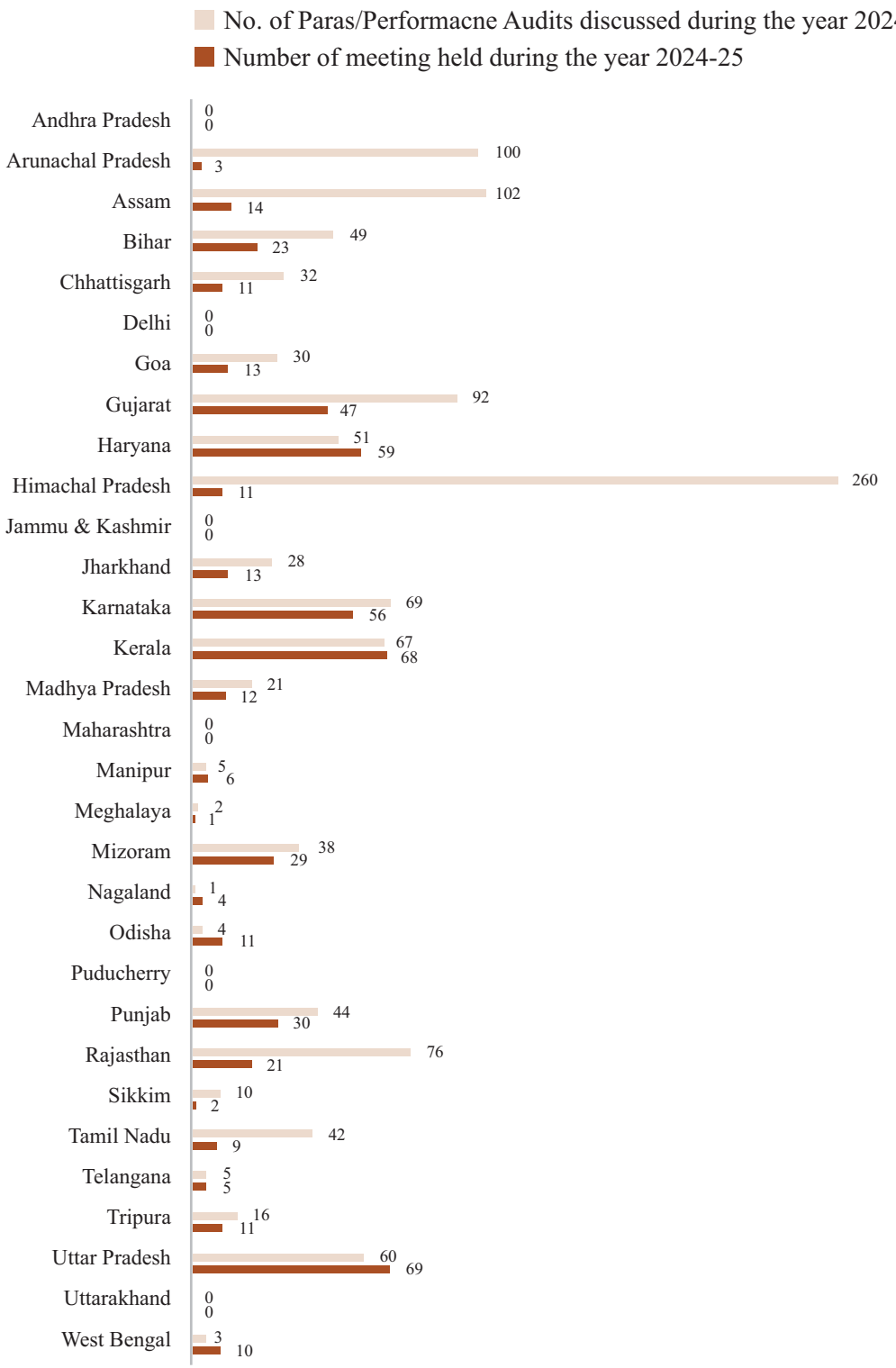
The Public Accounts Committees (PAC) and Committees on Public Undertakings (COPU), at the Union and State levels are our main partners in ensuring public financial accountability. The CAG's Audit Reports that are tabled in the Parliament/Legislature stand referred to the PAC/COPU. The CAG assists in the working of the Committees, by preparing a Memorandum of Important Points for discussion on Audit Reports. The CAG and his representatives assist the PAC/COPU in their examination of witnesses during their meetings.

The Executive is required to report on the action taken on the recommendations of the Committees. The Committees then publish an Action Taken Report. In case of audit observations not discussed in the meetings, the Executive is required to furnish Action Taken Notes thereon. Both the Action Taken Reports and the Action Taken Notes are duly vetted by Audit before they are furnished to the Committees.

During 2024-25, the Central PAC/COPU held 53 meetings wherein 18 audit paras/performance audit topics were discussed. The wing-wise position of meetings and audit paras/ performance audit topics discussed in the PAC/COPU is shown below:



The PAC/COPU in the States met on 538 occasions during 2024-25 and discussed 1,207 Audit Paras/Performance Audit topics, as indicated below:



1.2 Orientation Programme for the Honourable Members of the Public Accounts Committee and Committee on Public Undertakings in Tamil Nadu

The Committee on Public Accounts (PAC) and the Committee on Public Undertakings (COPU) were constituted by the Sixteenth Legislative Assembly of Tamil Nadu on 29 June 2024, following which, an Orientation Programme for the benefit of the Hon'ble Members of the PAC and COPU was conducted by the Offices of the Principal Accountants General (Audit) I and II on 30 July 2024, at Anna Administrative Staff College, Raja Annamalai Puram, Chennai.

The Hon'ble Speaker of the Tamil Nadu Legislative Assembly presided over the programme as Chief Guest and the Hon'ble Deputy Speaker of the Tamil Nadu Legislative Assembly participated as Guest of Honour.

The Hon'ble Chairpersons and Members of PAC and COPU, Principal Secretary of Tamil Nadu Legislative Assembly along with officials of the Secretariat participated in the Programme.

The Programme included an audio-visual presentation on CAG's role, audit process, functions & powers of the Committees, pendency of Action Taken Notes (ATNs)/ Action Taken Reports (ATRs) etc, which was followed by an interactive session with the Hon'ble Members of the Committees. Further, the pendency in receipt of ATNs/ATRs as well as the discussion of audit reports were brought to the notice of the Committees and in this regard, various suggestions were put forward for the consideration of the Committees.

1.3 Workshop on functioning of Indian Audit and Accounts Department

A workshop on functioning of Indian Audit and Accounts Department was conducted for members of the PAC in October 2024 and for COPU in November 2024 in the Madhya Pradesh Vidhan Sabha by the Office of the Accountant General (Audit)-II, Madhya Pradesh.

CHAPTER-2

Audit Advisory Board

2.1 CAG's Audit Advisory Board

The Audit Advisory Board (AAB) of the CAG of India is constituted with the objective of enhancing the effectiveness of audits, including audit reports, by providing a forum for interaction with experts of eminence from varied fields. The Board's mandate includes advising the CAG in matters relating to audit, including coverage, scope and prioritisation of audits together with suggestions on audit approaches and techniques within the framework of the CAG's constitutional and statutory mandate.

The members of the AAB function in an honorary capacity. The Board consists of eminent persons in diverse fields and Deputy Comptroller and Auditors General from the Department as ex-officio members. The first AAB was constituted in 1999. Since then, the Board has been reconstituted ten times (2001, 2003, 2006, 2009, 2011, 2013, 2015, 2018, 2021 and 2023). The constitution of the 11th AAB was notified in April 2023 for a term of two years. Details of the external members of the 11th AAB are provided in Chapter 3 of Section 1 of this report.

Three meetings of the board were held during the year. The first meeting on 4 April 2024 focused on the Audit Plan 2024-25 and Horizontal Audit of the Blue Economy. The second meeting, in the form of a symposium titled 'Navigating the future: Enhancing governance through effective auditing in a dynamic environment', was held on 25 June 2024 in Shimla. The Third Meeting of the Eleventh Audit Advisory Board was held on 18 February 2025. The meeting focused on the finalisation of the Annual Audit Plan 2025-26 for SAI India and the formulation of the Strategic Audit Plan 2026-30.



Third meeting of the Eleventh Audit Advisory Board



Members of the Eleventh Audit Advisory Board of the CAG during its third meeting

2.2 State Audit Advisory Boards

State Audit Advisory Boards (SAABs) are similarly constituted in respective States. The SAABs serve to enhance the effectiveness of audits by fostering discussions with experienced professionals from diverse fields. During 2024-25, meetings of the SAABs were convened in the States of Arunachal Pradesh, Assam, Bihar, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Manipur, Meghalaya, Mizoram, Punjab, Sikkim, Telangana, Tripura, Uttarakhand, Uttar Pradesh and West Bengal.



State Audit Advisory Board meeting in West Bengal

CHAPTER-3

Climbing the learning curve

3.1 Interaction with audited entities

Our audited entities are amongst the key stakeholders in the audit process. Interaction with them occur continuously - before, during and after audits. Engagement with the senior management levels of auditee organisations is encouraged to develop a cooperative approach and identify risk areas. Our audit programmes are communicated well in advance to the audited entities. All audit teams conduct entry and exit conferences, at the beginning and closure of the audits. At every stage of audit, the audited entities are provided opportunities to respond to audit queries and findings. Field offices also participate in Audit Committee meetings organised by Ministries/Departments to discuss and take action on the audit observations included in Inspection Reports and those in the CAG's Audit Reports. Officials from audited entities are invited to Seminars/ Workshops and Training Courses organised in the Department.

We held several interactions with audited entities during the year. Some of these are following:

3.1.1 Interaction with the Ministries of the Union Government

i. During Deputy CAG (Commercial) visit to O/o DGA (Mines) and O/o PDA (Coal), Kolkata during 21 to 24 October 2024, a half day commercial audit workshop was arranged with the Heads of CPSUs/ABs under the jurisdiction of these two offices. A total of 14 auditees including CPSUs, Corporations and ABs under the jurisdiction of the two offices participated in the workshop. During the engagement, CAG's audit footprint across sectors during the recent years was presented before the auditees. Further, the auditees also gave presentations on (a) strategic changes adopted by the organisation that would impact audit activities in the near future; (b) major milestones/ achievements during the post COVID period and (c) possible strategic & operational issues where auditee would like Audit Office to engage with them in the near term.

ii. To align audit initiatives with strategic priorities, the Defence Wing instituted structured engagements with key stakeholders since February 2025 focusing on cross-cutting performance audit topics in the Annual Audit Plan (AAP) 2025-26. To firm up the guidelines, work plans and ADMs (Audit Design Matrix) of the two cross cutting performance audit topics proposed for the AAP 2025-26, a series of interactive sessions with the auditee viz., Ministry of Defence, Integrated Defence Services Headquarters, Service Headquarters and Defence Research and Development Organisation (DRDO) were organised by the Defence Wing between 5th March 2025 to 11th March 2025 to understand the core issues involved in the topics. These interactions, chaired by Dy. CAG (Defence and Local Government Audit), were attended by the senior management of these organisations and audit personnel.

iii. During performance audit of Ex-servicemen Contributory Health Scheme, engagement with Stakeholders was undertaken by the O/o DGADS New Delhi for better understanding of the issues prior to carrying out audit. A questionnaire containing 16 questions was circulated among Ex-servicemen through 40 selected Zila Sainik Boards. As per responses received, common problems faced by ECHS beneficiaries were High Patient Load on Polyclinics leading to long waiting time, Partial/incomplete issue of Medicines etc. Also, the three command-level offices of O/o DGADS at Prayagraj, Patna and Meerut held meetings with members of Regional Level of Ex-servicemen

Association. Common problems aired during these meetings were Excess Load on Polyclinics, Non-availability of Empanelled Hospitals in vicinity, Deficiency of Doctors/Para Medical Staff etc.

iv. A two days' workshop was conducted by the O/o Director General of Audit, Defence Services, Pune for scientists and officers of Defence Research and Development Organisation (DRDO) on 23 and 24 April 2024. During the workshop, presentations on audit observations on project management in DRDO procurements and process for Draft Paras and Action Taken Notes were made.

3.1.2 State specific interactions

Chhattisgarh

i. In Raipur, Chhattisgarh a workshop on the topic "Strengthening the Accounts and Financial Management of Local Bodies" was organised at the office of the Principal Accountant General (Audit), for around 200 officers of Panchayats and Urban Local Bodies.

ii. A special workshop was also organised for 30 Budget Control Officers of the State.

iii. A discussion on "Accountability in Public Finance Management" was organised under the chairmanship of Hon'ble Chairman, Estimates Committee in which the Chief Guest Hon'ble Chairman, Local Bodies and Panchayati Raj Accounts Committee (Chhattisgarh Legislative Assembly) and Hon'ble Member Local Bodies and Panchayati Raj Accounts Committee were present.

iv. A workshop on "Financial Accounting and Management of the State" was organised for the treasury and finance officers of the state.

v. A workshop on "Financial Accounting, Procurement and Administration" was organised for 100 officers of autonomous institutions. The keynote speakers, Chartered Accountants, enlightened the officers of the autonomous institutions on the topic.

Jharkhand

i. A workshop was organised on the occasion of Audit Diwas (29 November 2024) in the O/o Principal Accountant General (Audit) Jharkhand, on the topic “Interaction with PSUs/Autonomous Bodies- Timely Preparation, Submission and Audit of Annual Accounts”. The workshop was attended by representatives of State Public Sector Enterprises and State Autonomous Bodies viz., Jharkhand Urja Sancharan Nigam Limited (JUSNL), Tenughat Vidyut Nigam Limited (TVNL), Jharkhand State Food and Civil Supplies Corporation Limited (JSFCL), Jharkhand State Mineral Development Corporation Limited (JSMDC), Jharkhand Film Development Corporation Limited (JFDCL), Jharkhand Industrial Infrastructure Development Corporation (JIIDCO), Jharkhand Bijli Vitran Nigam Limited (JBVNL), Jharkhand Tourism Development Corporation (JTDC), Jharkhand State Electricity Regulatory Commission (JSERC) and Rajendra Institute of Medical Sciences (RIMS).

In the workshop, the status of pendency in submission of accounts by PSEs/ABs was shared and the challenges in auditing the accounts such as pendency in submission of accounts, inadequate financial reporting, inadequate documentation, insufficient internal control, lack of standardisation and resistance to changes etc., were also discussed.

The representatives of Public Sector Enterprises (SPSEs)/ABs attributed these delays to shortage of man-power, frequent changes in directorship, unsatisfactory performances of statutory auditors etc. One representative from JBVNL (Deputy General Manager) suggested that by active participation of higher management and by creating a dedicated wing for timely finalisation of annual accounts, the delay in submission of accounts to audit can be avoided.

The representatives of SPSEs/ABs assured that sincere efforts would be made by their organisations to avoid delays in submission of accounts in future.





Participants during the workshop in Jharkhand

Madhya Pradesh

i. A meeting with the stakeholders - Additional Chief Secretary, Panchayat and Rural Development Department (PRDD), officials of Urban Development and Housing Department (UDHD), Finance Department, and officials of PAG (Audit-I), M.P., was held on 4 April 2024 to strengthen knowledge and capacity building training on various topics of Directorate of Local Fund Audit (DLFA) under Technical Guidance Support (TGS). The meeting's aim was to set the TGS agenda based on assessment findings under different TGS scopes for the year 2024-25 with proposed activities. Further, to strengthen the capacity of local fund auditor, a schedule was prepared for providing training on different topics related to enhancing the quality of audit.

ii. A panel discussion on "Strengthening accountability in Governance: Role of media, civil society & the CAG" was conducted on 20 November 2024 with representatives from State Government and media.

Maharashtra

Lecture on use of technology in evidence gathering by Sr. Pr. Scientist, CSIR – NEERI was organised by Principal AG (Audit)-II, Maharashtra. Guidance was imparted on techniques like Geo

Spatial analysis and Remote Sensing Technology. The technologies like these are expected to be harnessed in performance and subject specific compliance audits in the near future.

Manipur

i. As a part of Audit Diwas, workshop sessions on the Centrally Sponsored Scheme namely Pradhan Mantri Awas Yojana Gramin (PMAY-G) and Pradhan Mantri Gram Sadak Yojana (PMGSY) were held by Principal Accountant General (Audit) Manipur in November 2024 with resource persons from the concerned department.

ii. A meeting was held on 24 December 2024 with the officials of the Government of Manipur, Rural Development and Panchayati Raj Department (RD&PR), Municipal Administration, Housing and Urban Development (MAHUD) Department and Director, Local Fund Audit (DLFA) regarding Technical Guidance and Support (TGS), preparation of Annual Technical Inspection Report (ATIR) of Local Bodies for the years 2021-22, 2022-23 and 2023-24 and status of devolution of functions to local bodies. It was decided that (a) the present status of devolution of functions to local bodies be furnished by the concerned departments, (b) steps taken by the State government for inclusion of provisions of the TGS in the respective State Acts be furnished to State AG office, (c) information required for preparation of ATIR and copies of the inspection reports of Local Bodies audit done by DLFA for examination and necessary inclusion of the comments of the State office thereon in the ATIR (TGS Report) etc., be furnished by the concerned departments at the earliest possible.

iii. Another Stakeholders meeting for TGS Agenda setting with the officials from Finance Department, RD&PR, MAHUD and DLFA, Government of Manipur was held on 14 February 2025. The meeting minutely discussed the activities to be taken up for the implementation of TGS during 2025-26.

Mizoram

A one-day workshop on "Sensitisation of Audit process and drafting of Report" was held with the officers of the DLFA on 22nd November 2024 during the Audit Week. The workshop was attended by the Director and seven other officers of the DLFA. As the topic suggests, the core objective of the meeting was to familiarise the Auditors of Local Funds about the whole audit processes. In the workshop, audit processes from planning to follow up of audit reports were discussed.

Odisha

i. The Office of the Accountant General (Audit-II), Odisha proactively took up the matter with the Hon'ble Governor, highlighting the systemic challenges and impact of arrear accounts on public accountability. A High-Level Review Meeting chaired by the Hon'ble Governor on 14 February 2025, with the attendance of the Heads of the administrative departments of PSUs and Heads of the PSU significantly elevated the urgency of the matter for delay in submission of accounts and impact on arrear accounts which led to substantial improvements in arrear accounts.

ii. To gain relevant and meaningful insights under performance audit on 'Blue Economy', Accountant General (Audit-II), Odisha organised a workshop on "Conservation of Natural Resources, Ecosystem, Eco-development in Coastal Areas in Odisha under Blue Economy" at Bhubaneswar. Subject Matter Specialists/Experts were invited for the workshop from various backgrounds such as academia, retired government servants, researchers, community-based organisations etc. During the workshop, the discussion was held on various aspects like Blue Economy policy, innovation, sustainability and growth, Odisha Coast Sustainable Management of its resources, environmental pollution, protection of Wetlands, conservation of wild biodiversity and sustainable ways for both community and nature to thrive and climate change.

Rajasthan

i. Under Technical Guidance and Support Activity, a training programme for 45 Officers of Local Fund Audit Department was conducted (28-29 August 2024) during the Year 2024-25 by PAG (Audit) -I, Rajasthan.

ii. Around hundred Drawing and Disbursing Officers (DDOs) from various departments were invited for an interactive 'audit sensitisation' session where they were guided on auditor-auditee relationship, importance of audit, guidance on framing responses to Audit Memorandums and Inspection Reports etc., by PAG (Audit) -II, Rajasthan.

Tamil Nadu

PAG (Audit-I) Tamil Nadu conducted a Cross-cutting horizontal performance audit on 'Jal Jeevan Mission' during 2024-25. With a view to foster collaboration and knowledge sharing amongst the offices conducting performance audit on Jal Jeevan Mission during Annual Audit Plan-2024-25, regional workshops were envisaged by Headquarters office. The regional workshop was held on 12-13 August 2024 in which audit teams from Offices of the PAG (Audit-I) Tamil Nadu, PAG (Audit-I) Karnataka, PAG (Audit-I) Kerala, PAG (Audit) Andhra Pradesh and PAG (Audit-II) Tamil Nadu & Puducherry participated. The workshop featured presentations of the participating offices, during which the findings from the ongoing audit were shared. The discussions covered the challenges encountered during the audit and reviewed the relevant guidelines. Wherever possible, solutions were developed and agreed upon by the stakeholder offices. The workshops saw active participation from the ADAI (North Central Region), ADAI (Southern Region), ADAI (Central Region), and ADAI (Western Region), along with Pr. AsG/AsG and their teams.

Tripura

On the Audit Diwas 2024, a workshop was organised by the O/o the Accountant General (Audit), Tripura for the Drawing and Disbursing Officers (DDOs) of the Tripura Government Public Works Department and Forest Department. Multiple DDOs and their representatives attended the workshop. A Power Point Presentation was delivered by the Sr. Audit Officer and Sr. Accounts Officer on different audit and accounting issues faced by the DDOs. After the presentation, one Q&A session was also attended by the different DDOs where various doubts raised by them were clarified.

3.2 Interaction with academic and professional institutions

We interact with a number of academic and professional institutions. Senior Officers of the Department are nominated on Central Councils of Institutes, such as the Institute of Chartered Accountants of India (ICAI), Institute of Company Secretaries of India (ICSI) and Institute of Cost Accountants of India (ICMAI). By virtue of being Council members of ICAI, the Officers are also nominated on various Committees/Boards of the Institute, such as the Accounting Standards Board, Auditing and Assurance Standards Board, Internal Audit Standards Board, Professional Development Committee, Ethical Standards Board, Committee on Information Technology, Peer Review Board etc., ensuring constant interaction with these professional bodies. Our training institutions also remain in touch with various academic institutions, for faculty support in training our staff and officers.

3.3 Interaction with Media

We have a documented Communication and Outreach Policy 2024, along with its Standard Operating Procedures (SOPs) that guide our interactions with external stakeholders at SAI India.

Our Communication & Outreach activities encompass both print and digital Media. Together, these platforms are responsible for engaging with the media, disseminating information and preparing media briefs.

We undertake a range of actions to communicate audit messages to our clients after audit reports are presented to Parliament and the State Legislatures. Press briefs are issued highlighting the contents of the audit reports after their presentation in the Parliament/State Legislature. The reports are made available on our website.

Such interaction is intended to disseminate information about the department, the audit reports and to issue clarifications, if any, needed by our stakeholders.

3.4 Workshops, Lectures and other events

Accountability in governance rests upon the foundation of robust public financial reporting. SAI India aims to promote accountability and transparency in governance, through high quality auditing and accounting, thereby providing independent assurance to stakeholders i.e., the Legislature, the executive and the public that public funds are being used efficiently and for the intended purposes.

In order to fulfil this mission, the SAI India constantly strives to discharge its professional duties in accordance with international best practices, implying, *inter alia*, that auditors are seen as partners in upgrading governance, with its audit reports serving as an aid to governance. There is a perceptible increase in the demand for transparency and accountability in public sector service delivery. The environment in which the audited entities and, consequently, audit functions is dynamic, both in terms of structure and methods of implementation of public policy, as well as in the practice of audit and accounting. As such, in order to keep pace with this dynamic environment, it is important for the SAI India to keep reinventing and rejuvenating itself. Regular internal and external consultations with stakeholders facilitate this effort to adapt / upgrade professional practices and our

structures and methods of functioning, as also to remain sensitised to the environment in which our audited entities operate. To facilitate such consultations, the SAI India regularly organises a number of workshops, lectures and other events where domain experts and senior public servants participate and share their knowledge with other personnel.

Following workshops/lectures involving internal/external experts were conducted during the year:

i. A workshop was organised on the occasion of Audit Diwas (22 November 2024) in the O/o PAG (Audit) Jharkhand on the subject "Improving Quality of drafting Audit/ Inspection Report". The Senior Audit Officers/Assistant Audit Officers conducting field audits participated as the audiences. During the workshop, various aspects of qualities of good audit/inspection reports were discussed in detail. Objectives of various reports, style of good report writing, structures of reviews, appendices etc., were also discussed. This workshop proved to be a key component of the audit office's ongoing capacity-building initiatives.

ii. O/o the Accountant General (Audit-II) Odisha, being the lead office for the horizontal performance audit on "Implementation of Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) including District Mineral Foundation Trust (DMFT)", organised an All India Workshop/Mid-term Review presided by the CAG of India on 4 October 2024 with 12 participating offices including Headquarters office. PAsG/AsG of 12 participating States presented/shared their audit findings on the performance audit.

iii. A one-day seminar on SAP Based Auditing was organised at Grid Corporation of Odisha Limited (GRIDCO), Bhubaneswar on 27 January 2025. Sr. AOs and AAOs participated in the seminar to gain basic exposure on different modules of SAP and implementation of the same in auditing environment.

iv. Two-day training session on 'Data visualisation using Tableau and Power BI' was held on 20-21 February 2025 at iCISA, Noida exclusively for staff of Finance & Communication Audit. Further, hands-on session for demonstrating data visualisation through live case studies on PA on BharatNet and PA on CSC 2.0 projects was also arranged during the training session.



Participants during the workshop organised on the occasion of Audit Diwas in Jharkhand

v. A workshop for Direct Taxes Wing from 8 to 9 November 2024 was held in Goa. Representatives from all the field audit offices and Direct Tax Wing at Headquarters attended the workshop along with Deputy Comptroller & Auditor General (Central Revenue Audit) and Director General (DT-I). In the workshop, Power Point Presentation was made by the Group Officers of each FAO on the subject specific compliance audit (SSCA) topics and annual audit plan for FY 2024-25. Important audit observations in compliance audit along with the issues noticed in the SSCAs were discussed in the workshop.

vi. O/o Principal Director of Audit (Central) Mumbai conducted nine in-house trainings during the year 2024-25, out of which two in-house training on Section 115JB of Income Tax Act 1961 and Ind AS (Indian Accounting Standards) 101 to 108 were conducted by outside faculty.

vii. On 5 August 2024, a workshop was conducted at O/o Director General of Audit (Central) Chennai Branch office Kochi on the topic 'Assessment procedures in the Income Tax Department' at Kochi which was attended by 33 officials and a detailed discussion was held on assessment procedures, with an emphasis on the Faceless Assessment Scheme, 2019.

viii. Four in-house trainings were conducted by O/o Principal Director of Audit (Central) Hyderabad on Set-off and carry forward of losses & Interest Calculations U/s 234 A, B & C, Transfer Pricing and International Taxation, Minimum Alternate Tax (MAT) & MAT Credit U/s 115JB / JC and Exemptions for Trusts, AOPs & Charitable Institutions in the year 2024-25.

ix. Three In-house trainings were conducted by Director General of Audit (Central), Chandigarh during 2024-25, for which external experts were invited to share their

insights about various provisions of IT Act. 1961 and working of Income Tax Department. Fifteen officials participated in each training session.

x. A series of presentations were made to DAI (Defence & LGA) from 9 to 30 August 2024 by all the field Head of the Departments at Headquarters with regard to audit guidelines on their respective PA/SSCA topics approved for the year 2024-25. These meetings involved the DGs and Desk Officers from Headquarters; Group Officers and audit teams from field offices, so as to ensure that entire chain of officers involved are on the same page. These presentations were organised to guide the field audit offices on the important points to be considered while preparing the audit design matrix, including audit objectives, scope, focus areas, scoping, sampling and developing recommendations.

xi. A workshop on mid-term review on annual audit plan 2024-25 hosted by Odisha office was held on 7 and 8 August 2024 at State Convention Centre, Shillong.

xii. A three-day workshop was conducted for staff of o/o PAG (Audit-I), Kerala from 18 to 20 November 2024 during Audit Week 2024 celebrations. The topics for audit staff were 'State of Environment in Kerala - Status, Challenges and Moving Forward, Preparedness and Response to Floods in Kerala and Audit of IT Systems' and that for A&E was 'Cyber Hygiene and Security of IT Systems'.

xiii. Sessions on 'New schemes and initiatives in Local Self Government Departments" and K-SMART (newly development systems software of LSGD) were handled by Sr. Co-ordinator, Kerala Institute of Local Administration (KILA) and domain expert of Information Kerala Mission (IKM) at AMG-I (Headquarter) on 19 October 2024. All the field party officials and headquarters staff of AMG I wing attended the session, which enhanced the knowledge about the schemes & software of LSGDs, which is the main auditee department of AMG I wing.

xiv. Quarterly conferences were conducted by O/o PAG (Audit)-I Tamil Nadu on the subjects 'Procedure involved in selection of cases for audit/surprise inspection, conduct of audit/surprise inspection and issue of assessment order, 'Duties of proper officer relating to scrutiny of returns, issue of refunds', 'Issues faced by the Departmental Officers during registration, fixation of market value guidelines in respect of new layouts, fixation of composite value for new apartments and other special issues to be focused on audit' and 'Pre-Conception and Pre-Natal Diagnostic Techniques (PCPNDT) Act, 1994, the Assisted Reproductive Technology (Regulation) Act, 2021, and the Nammai Kakkum 48 (NK 48) scheme under the Innuyir Kappom Thittam (IKT), an initiative of the Health and Family Welfare Department' wherein external speakers delivered their presentations/lectures.

xv. A lecture on 'Billing activities of Tamil Nadu Generation and Distribution Corporation Limited' was organised by O/o PAG (Audit)-II Tamil Nadu & Puducherry.

xvi. As part of the Audit Diwas Celebration, 2024 a workshop on 'Use of IT Audit-Analysis

on Integrated Financial Management Syatems (IFMS)' was held on 20 November 2024 in Meghalaya. During this workshop, a presentation by NIC, Meghalaya was given and all the officers attended the said workshop.

xvii. A workshop on "GST - Legal Aspects, Audit Procedures and Insights of GST" was conducted by PAG (Audit) Andhra Pradesh on November 21, 2024, as part of the Audit Diwas Week celebration to facilitate a meaningful dialogue among stakeholders and offer a comprehensive overview of Goods and Services Tax (GST) to the newly appointed Assistant Audit Officers.



Workshop on "GST - Legal Aspects, Audit Procedures and Insights of GST

xviii. A workshop on the use of Artificial Intelligence (AI) in Accounting and Audit was organised for the officials of the office of the Principal Accountant General (Audit) Chhattisgarh in which Professor of NIT Raipur highlighted the use of advanced technological tools to make the auditing process more effective for the office officials and staff.

Section 5

International Relations

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CHAPTER-1

Our engagement with the United Nations Organisations

1.1 Audit of International Organisations

CAG of India has a long standing association with the United Nations (UN) and its specialised agencies, as their external auditors from time to time. Apart from being the external auditor for the main UN Headquarters at New York, SAI India has audited United Nations Children's Fund (UNICEF), United Nations Office for Project Services (UNOPS), International Trade Centre (ITC), United Nations Compensation Commission (UNCC), UN High Commissioner for Refugees, UN Environment Programme, UN HABITAT, UN Economic Commissions, UN Peace Keeping Missions and International Civil Service Commission. During 2024-25, SAI India audited the following UN organisations:

1.1.1 World Health Organization (WHO)

WHO is a specialised agency of the UN that is concerned with international public health. The headquarters of WHO is in Geneva, Switzerland.

CAG was re-appointed as the external auditor of WHO and its five Non-Consolidated hosted entities for the period 2024-2027 starting from the financial period ending December 2024.

The five non-consolidated entities of WHO are:

i. Staff Health Insurance (SHI)

ii. International Agency for Research on Cancer (IARC)

iii. Joint United Nations Programme on HIV/AIDS (UNAIDS)

iv. United Nations International Computing Centre (UNICC)

v. UNITAID (a Global health initiative that works with partners to bring about innovations to prevent, diagnose and treat major diseases)

Seven audit teams conducted financial, performance and compliance audits of WHO Headquarters, its regional/country offices and its non-consolidated entities. These audit engagements were performed onsite during October 2024 to March 2025. The Performance Audits included 'Universal Health Coverage on One Billion (Strategic Priority I under GPW 13)' and 'Inventory and Warehouse Management'.

1.1.2 Food and Agriculture Organization (FAO)

FAO is a specialised agency of UN that leads international efforts to defeat hunger. The headquarters of FAO is in Rome, Italy.

CAG is the external auditor of FAO for the period 2020-2025, starting from the financial period ended December 2020. Seven audit teams conducted financial, performance and compliance audits of FAO Headquarters and its regional/country offices. These audit engagements were performed during November 2024 to May 2025. The audits included two performance audits of 'Office of the Climate Change' and 'Hand-in-Hand Initiative'.

1.1.3 Organisation for Prohibition of Chemical Weapons (OPCW)

OPCW has headquarters at Hague, Netherlands and is the implementing body for the Chemical Weapons Convention, which came into force w.e.f. 29 April 1997. The OPCW oversees the global endeavour to permanently and verifiably eliminate chemical weapons. The CAG of India was re-appointed as external auditor of OPCW for 2024-26 in November 2024.

The external audit of OPCW for the financial period ending December 2023 was performed during April 2024. In addition to the compliance audit and financial audit for the year ending December 2023, the audit included performance audit on 'Contributions and Programme Budgeting of OPCW'. Further, Information System Audit on 'Implementation of Unit4 ERP, other legacy IT systems such as TANGO and IT security infrastructure' was also carried out.

1.1.4 International Atomic Energy Agency (IAEA)

IAEA is the world's center for cooperation in the nuclear field and has headquarters in Vienna. It was set up as the World's "Atoms for Peace" organisation within UN family. The agency works with its member States and multiple partners worldwide to promote the safe, secure and peaceful use of nuclear technologies.

CAG of India is the external auditor of the IAEA for a six-years' term from 2022 to 2027, starting from the financial period ended December 2022. The external audit of IAEA was performed during November 2024 to March 2025. The audits included financial audit and performance audits of 'Management of Construction Projects by IAEA', 'Major Programme 2 - Nuclear Techniques for Development and Environmental Protection with Special Focus on SDGs' and 'Jointly Funded Activities of IAEA and FAO'. Financial audit of IAEA funds-Commissary, Cafeteria and Staff Assistance Funds was also carried out. Five audit teams conducted the above audits.

1.1.5 International Labour Organisation (ILO)

On 14 March 2023, at its 347th Session, the Governing Body of the International Labour Office appointed the CAG of India as the external auditor of the ILO for the 79th and 80th financial periods, with the appointment to commence from 1 April 2024 for a period of four years (2024-2027).

During the financial year 2024, aside from the audit of financial statements at ILO Headquarters,

(a) ILO Regional Office for Africa (ROAF);

(b) ILO Regional Office for Asia and the Pacific (ROAP);

(c) ILO Country Office for Indonesia and Timor-Leste (CO Jakarta, Indonesia);

(d) ILO Country Office for Vietnam (CO–Hanoi);

(e) ILO Country Office for Thailand, Cambodia and Lao People's Democratic Republic (CO- Bangkok);

(f) ILO Country Office Ethiopia, Djibouti, Somalia, Sudan and South Sudan (CO-Addis Ababa) were also audited. We also carried out performance audits of 'Implementation of Development Corporation Strategy 2020-25 in ILO' and 'Human Resource Management of ILO'.

1.2 Meeting of Technical Group and UN Panel of External Auditors

The Panel of External Auditors held its 64th regular session at United Nations Educational, Scientific and Cultural Organization (UNESCO) Headquarters in Paris during 9 to 10 December 2024. A delegation from SAI India consisting of Deputy CAG (HR, IR, Cord and Legal), Director General (International Relations) and Director (International Relations) attended the UN Panel (9-10 December 2024) and Technical Group meetings (4-6 December 2024).



Meeting of the Panel members with the Director-General of UNESCO, Ms. Audrey Azoulay, in Paris on 10 December 2024

The meeting was also attended by the representatives from Brazil, China, Egypt, France, Germany, Indonesia, Italy, South Africa, Switzerland and the United Kingdom, along with observers from Chile and the Russian Federation. The Panel also met with Ms. Audrey Azoulay, UNESCO Director General, to exchange views on different cross-cutting topics amongst the UN system. The Panel discussed several topics, including follow-up actions on the UN Secretary-General's response to the Panel letter and three critical issues: financial management, climate change and digital issues. SAI India made a presentation on 'Audit risks related to Digital Operations' under the category digital issues.

1.3 3rd Senior Audit Professional Training Program at Anderson School of Management, University of California, Los Angeles (UCLA)

The CAG of India is the external auditor of many prestigious UN Organisations. The UN organisations are known for their highly structured and rigorous accounting and financial management functions. As auditors, it is essential for us to stay ahead of the curve and remain well-informed about financial management practices and emerging issues.

To enhance our technical expertise in auditing UN organisations, the 3rd specialised training program for senior audit professionals was conducted from 31st March 2025 to 4th April 2025 at Anderson School of Management, University of California, Los Angeles (UCLA), one of the globally top-ranked universities.

The training programme covered valuation, derivatives to manage risk, reporting of defined benefit plans, environmental, social governance and reporting, risk management, portfolio and risk management, pension funds and reorientation of asset allocation in an inflated fueled world and financial statements, ratios & context for non-profits.

The training programme was designed to improve the knowledge and abilities of senior and middle level IA&AS officers for conducting and leading the audit assignments for UN and other international agencies.

CHAPTER-2

Our engagement with the International Organisation of Supreme Audit Institutions

2.1 Overview of INTOSAI

The International Organisation of Supreme Audit Institutions (INTOSAI) operates as an umbrella organisation for the external government audit community. Founded in 1953, INTOSAI has 195 full members, five associate members and two affiliate members. INTOSAI is an autonomous, independent and non-political organisation with special consultative status with the Economic and Social Council (ECOSOC) of the UN. INTOSAI's motto is 'Mutual Experience Benefits All'.

INTOSAI has four main committees which are the vehicles for the achievement of its four strategic goals. These Committees are:

i. Professional Standards Committee

ii. Capacity Building Committee

iii. Knowledge Sharing and Knowledge Services Committee

iv. Policy, Finance and Administration Committee

Each Committee is chaired by one of the member SAIs.

2.2 INTOSAI Knowledge Sharing Committee (KSC)

Since the inception of INTOSAI Committee on Knowledge Sharing and Knowledge Services – (KSC), CAG of India is the Chair of KSC and its Steering Committee (KSC SC).

KSC is instrumental in developing guidance documents, handbooks, best practices and research papers in all aspects of public sector audit in addition to disseminating knowledge through seminars, workshops, training programmes and through its dedicated website–INTOSAI Community Portal. KSC has 13 Working Groups[1] specialising in various domains of public sector audit.

2.2.1 16th annual meeting of KSC Steering Committee held in Nairobi, Kenya

The 16th annual meeting of the Steering Committee of INTOSAI Knowledge Sharing Committee (KSC SC) was hosted by the office of the Auditor General of Kenya on 14 October 2024 in Nairobi, Kenya.

CAG of India delivered his opening remarks in the event as the Chair of the INTOSAI KSC and highlighted that the journey at the KSC has been one of collaboration, growth and relentless pursuit of excellence in audit practices globally. While enumerating the progress of activities of INTOSAI KSC, he stated that the KSC has been at the forefront of knowledge dissemination on concurrent issues pertinent to public sector auditors and their respective national governments, covering a wide gamut of subjects.

[1] https://cag.gov.in/en/page-involvement-with-intosai



CAG of India and other International delegates during the 16th INTOSAI KSC SC meeting in Nairobi, Kenya

While CAG of India highlighted that the core of KSC is shared knowledge and commended KSC and its Working Groups for their dedication and tireless efforts, he proposed that the KSC Steering Committee members strengthen the process of regular review of the work of KSC and its Working Groups to enhance efficiency and resource utilisation. He proposed that each Working Group may provide a comprehensive report every three years before INCOSAI, detailing their achievements and progress.

In his closing remarks during the meeting, CAG of India commended that the Steering Committee Meeting was a success, with the active engagement of members in person and the leadership of the KSC Working Groups.

2.2.2 33rd Annual Meeting of the INTOSAI WGITA held in Nairobi, Kenya

The 33rd Annual Meeting of the INTOSAI Working group on Information Technology Audit (WGITA) was hosted by the office of the Auditor General of Kenya on 15 October 2024 in Nairobi, Kenya.



CAG of India and other international delegates during the 33rd WGITA meeting, in Nairobi, Kenya

CAG of India delivered his opening remarks in the event as the Chair of the INTOSAI WGITA and expressed that adopting advanced technology, such as Machine Learning and AI, that is revolutionising service delivery, policymaking and government operations, India's Digital Public Infrastructure (DPI) has enabled seamless access to financial inclusion and essential public services, bridging the digital divide.

He emphasised that as public sector auditors face challenges in aligning governance frameworks with technological advancements, IT audit practices must evolve to help governments manage risks, optimise resources and support strategic decision making.

CAG of India informed the participants that in continuation to WGITA's resilience to the emerging changes and the consequent challenges in advanced technology, WGITA's next work plan for 2026-2028 would emphasise focusing on relevant and cutting-edge projects like AI and machine learning, prioritising capacity building for auditors. The work plan would include studies on emerging IT trends, development of guidelines and toolkits, creation of training materials and certification programs and organising workshops, webinars and forums to facilitate the exchange of experiences and best practices within the community.

In conclusion, he encouraged all participants to engage in active discussion as well as the whole WGITA community to actively participate in the activities of WGITA.

2.2.3. WGITA Seminar on "Repositioning SAIs for Impactful IT Audits"

WGITA seminar on the topic "Repositioning SAIs for Impactful IT Audits" was held on 16 October 2024, in conjunction with the 33rd WGITA meeting. The seminar provided valuable knowledge and perspectives on strengthening the IT audit practices of the SAI community. SAIs from Brazil, Egypt, Kenya, Philippines, South Africa, United Kingdom and Zambia presented respective perspectives on several emerging issues, namely, auditing ransomware defenses, cyber security & data protection challenges and data privacy, Generative AI System, strategic audit planning for technology audits, digital transformation, integrated financial audit etc.

Representative of SAI India made presentation on "Repositioning SAIs for Impactful IT Audits", enumerating majorly, the five focus areas for more impactful IT Audits in India, namely, mapping business rules, critical infrastructure connectivity, introduction of digital eco-systems, technologies for IT security and the human element. The presentation highlighted that the focus is on enhancing IT audits in India through the effective integration of digital ecosystems as (i) the government plays a vital role in establishing registries that facilitate collaboration among various entities, (ii) private organisations are encouraged to develop applications that improve service delivery and compliance, (iii) emphasis is placed on the need for robust security measures and application controls to protect critical information. It was also emphasised that the audit teams must continuously upskill to navigate the complexities of these digital environments effectively.

2.3 21st Annual Meeting of INTOSAI Compliance Audit Sub-Committee (CAS)

The 21st Annual Meeting of the INTOSAI Compliance Audit Sub-Committee (CAS) was convened virtually by SAI India on 12 December 2024. The meeting was attended by 31 participants from various SAIs.

The meeting commenced with a video message by the CAG of India and CAS Chair, who highlighted the importance of aligning the Sub-committee's efforts with the strategic goals of the INTOSAI Professional Standards Committee and insights from the INTOSAI Supervisory Committee on Emerging Issues' report, 'Navigating Global Trends: Future Implications for Supreme Audit Institutions : 2025–2040'.

CAG emphasised that compliance audits play a crucial role in maintaining accountability and legitimacy while adapting to societal expectations. CAG noted, "trust is paramount for growth, societal well-being and governance, reminding us of our obligation to safeguard it through our work."

A significant focus was placed on addressing inequality and fostering inclusive growth, aligning with the INTOSAI Strategic Plan 2023-2028. CAG commended the sub-committee's efforts in developing a concept paper on 'Compliance Audit of Inclusiveness and Equality.' The paper integrates insights from the UN 2030 Agenda and the Sustainable Development Goals, showcasing global case studies, survey findings and entry points for conducting compliance audits in these areas. CAG expressed hope that this paper will guide SAIs in embedding inclusiveness and equality into their audits.

The meeting also prioritised discussions on the CAS Work plan 2026–2028. CAG urged incorporating foresight-driven approaches from the global trends report into the Work plan, focusing on auditing sustainability initiatives, climate change impacts, digital governance and fiscal accountability. This would ensure that compliance audits remain relevant and contribute to trust, sustainability and resilience in public institutions.

In conclusion, CAG called for active engagement in discussions to shape the future of compliance audits and reinforce public trust in governance. The meeting was acknowledged as a vital step in promoting stronger, more inclusive and accountable governance globally.

2.4 SAI India's technical support to SAI Belize under Global SAI Accountability Initiative (GSAI) led by INTOSAI Donor Cooperation

The Global SAI Accountability Initiative (GSAI) led by INTOSAI Donor Cooperation aims to strengthen and maintain the capacity of SAIs and identifies SAIs in challenging environments and provides support to strengthen their capacities and performance. GSAI support was officially launched in 2023 with SAI India as the main technical partner for SAI Belize.

A team from SAI India visited SAI Belize in August 2023 for undertaking the detailed needs assessment for SAI India technical support for the SAI Belize support project.

A Cooperation agreement between SAI Belize, SAI India and IDI was signed on 19 December 2023 with the following areas for technical support for the period 2024-2025 as Phase-I of the project:

- Digitalisation and improved quality of audit processes
- Digitalisation of SAI's management information system (HR Management, Records)
- Stronger SAI Independence
- Stakeholder engagement (Joint Public Accounts Committee-JPAC)

As part of the GSAI program, five SAI Belize delegates, including the Auditor General of Belize, visited SAI India from 12 August to 17 August 2024. This visit aimed to further our collaboration by focusing on knowledge sharing, development and planning the way forward on the IDI GSAI peer support project, particularly in areas of stakeholder engagement and SAI independence as outlined in the Cooperation Agreement.

2.5 Peer-to-Peer cooperation of SAI India with CAROSAI

The Caribbean Organization of Supreme Audit Institutions (CAROSAI) (Secretariat: SAI Jamaica) earlier requested SAI India to explore the possibility of Peer-to-Peer cooperation with SAI India to support the CAROSAI member SAIs in data analytics and enhance the quality of IT audits.

The CAG of India conveyed "in-principle" approval to the proposal for Peer-to-Peer cooperation between SAI India and CAROSAI on the following areas of support:

- The use of AI in Audit practice (virtual)
- Review of audited General IT Controls and identifying risk that impacts the financial audit (virtual)
- Data Analytics using different IT Tools for sample selection, duplicates testing, gap analysis, detecting fraud (virtual)
- IT application and security control audits- on the job training on planning, execution and reporting for a pilot IT audit (in-person) - Planning/ Reporting (Part I) (virtual) Execution/ Reporting (Part II) (in-person)

In this context, two Directors and a Consultant, CDMA took virtual training sessions on the above subjects in July-August 2024. One of the nominated directors also made a in person visit to SAI Jamaica in November-December 2024.

2.6 Climate Scanner tool

The Climate Scanner is a global initiative, led by the Federal Court of Accounts – Brazil (TCU) in collaboration with the INTOSAI Working group on Environmental Auditing (WGEA) as per WGEA Work plan 2023-25 with the objective of assessing governmental actions related to climate change by developing and applying a rapid assessment tool, named as Climate scanner tool.

The initiative involves a rapid assessment by SAIs on government actions related to climate change at both national and international levels. The assessments cover climate change initiatives of the governments along the three axes of governance, financing and public policies. The goal is to produce valuable information for future SAI work, communicate relevant findings and contribute to global knowledge sharing on climate related challenges and strengths.

SAI India participated in the Climate Scanner Executive Group represented by a Director General, a Senior DAG and iCED, Jaipur as the technical focal points of SAI India.

During 2024-25, the Climate Scanner Executive Group Meeting on 'Boosting Results and Impact' was held from15 to 18 October 2024 in Brasilia, Brazil.

Going forward with the deployment of the Climate Scanner tool, SAI Brazil, as the project lead, expects SAIs to fill up their national assessments by February 2025 for further analysis and communication at COP30 in November 2025.

2.7 Other significant events of the INTOSAI

SAI India is a member of several of the 13 Working Groups under KSC which are devoted to preparing guidance and best practices on audit of specialised areas. SAI India is also a member of other INTOSAI Goal committees, three INTOSAI Sub-Committees, two INTOSAI Task Forces and INTOSAI Donor Cooperation Steering Committee.

SAI India representatives took active part in the following events of the Working groups/ INTOSAI Bodies:

Sl. No.	Name of the event	Date	Venue
1.	UN/INTOSAI Symposium	16-18 April 2024	Vienna, Austria
2.	5th Meeting of INTOSAI Working Group on SDGs and Key Sustainable Development Indicators (WGSDG KSDI)	20-22 April 2024	Riyadh, Saudi Arabia
3.	Advance Supreme Audit Institution Performance Measurement Framework (SAI PMF) Workshop	4-7 June 2024	Manila, Philippines
4.	Working Group on Public Debt Annual Meeting	5-7 June 2024	Azerbaijan
5.	Capacity Building Committee Steering Committee (CBC SC) meeting	12 June 2024	Online
6.	Professional Standards Committee Steering Committee (PSC SC) meeting	26 June 2024	Online
7.	Working Group on Evaluation of Public Policies and Programmes (WGEPPP) meeting	20-21 June 2024	Bucharest, Romania
8.	17th Working Group on Fight Against Corruption and Money Laundering (WGFACML) meeting	3-5 September 2024	UAE
9.	25th Professional Standards Committee Steering Committee (PSC SC) meeting	9-10 September 2024	Brasilia, Brazil

Sl. No.	Name of the event	Date	Venue
10.	INTOSAI Working Group on Big Data (WGBD) meeting	10-12 September 2024	Vietnam
11.	21st Annual Policy, Finance and Administration Committee (PFAC) meeting	16 September 2024	Bucharest, Romania
12.	NTOSAI Donor Cooperation Steering Committee (IDC SC) and the INTOSAI Regional Coordination Platform (IRCP) Meeting	17-20 September 2024	Bucharest, Romania
13.	17th Meeting of the EUROSAI IT Working Group (EUROSAI ITWG)	24-25 September 2024	Oslo
14.	11th Working Group on Financial and Economic Stability (WGFES) meeting	25-26 September 2024	Ottawa, Canada
15.	IDI SAI Young Leader 2024-2025	30 September - 4 October 2024	Kigali Rwanda
16.	Working Group on Audit of Extractive Industries (WGEI) Steering Committee meeting	8-10 October 2024	Kigali Rwanda
17.	Annual meeting of the Financial Audit and Accounting Subcommittee (FAAS)	15-16 October 2024	London, United Kingdom
18.	33rd Working Group on IT Audit (WGITA) Meeting and Seminar	15-16 October 2024	Kenya
19.	16th Knowledge Sharing Committee Steering Committee (KSC SC) Meeting	14 October 2024	Kenya
20.	Pilot Professional Education for SAI Auditors (PESA) in-person Interaction	14-16 October 2024	Pretoria, South Africa
21.	Professional Education for SAI Auditors (PESA) Continuing Professional Development	16-18 October 2024	Pretoria, South Africa
22.	78th INTOSAI Governing Board meeting	27 -28 October 2024	Egypt
23.	Meeting of INTOSAI Supervisory Committee on Emerging Issues (SCEI)	29 October 2024	Egypt
24.	20th Meeting of the Steering Committee of INTOSAI Working Group on Environmental Auditing (WGEA)	28-31 October 2024	Finland
25.	SAI Side Events Climate Change Conference (COP29)	14 November 2024	Baku, Azerbaijan
26.	Global Summit on SAI Audits contributing to Digitalisation and Sustainability (IDI)	18-19 November 2024	Tbilisi, Georgia

Sl. No.	Name of the event	Date	Venue
27.	Leveraging on Technological Advancement (LOTA) Pioneer Meeting	20-22 November 2024	Tbilisi, Georgia
28.	Strategic Development Plan (SDP) Workshop	25-26 November 2024	Sofia, Bulgaria
29.	The Caribbean Organization of Supreme Audit Institutions (CAROSAI) Peer-to-Peer Cooperation	25 November - 6 December 2024	Jamaica
30.	21st Compliance Audit Subcommittee (CAS) Meeting	12 December 2024	Online
31.	INTOSAI Development Initiative (IDI) Professional Education for SAI Auditors (PESA) Accreditation Project	6-7 February 2025	London, United Kingdom

CHAPTER-3

Our engagement with Asian Organisation of the Supreme Audit Institutions

3.1 Overview of ASOSAI

The Asian Organisation of Supreme Audit Institutions (ASOSAI), established in 1978, is one of the seven regional organisations of INTOSAI. It became functional in 1979, with its first assembly in New Delhi. India is a charter member of the ASOSAI. Its present membership stands at 48.

The objectives of ASOSAI are:

- To promote understanding and cooperation among member institutions through exchange of ideas and experiences in the field of Public Audit.
- To provide facilities for training and continuing education for government auditors, with a view to improving quality and performance.
- To serve as a center of information and as a regional link with institutions in other parts of the world in the field of Public Audit.
- To promote closer collaboration and brotherhood among auditors in the service of the Governments of the respective member institutions and among regional groups.

3.2 16th ASOSAI Assembly: Advancing Governance, Transparency and Sustainable Development through Collaborative Auditing in Asia by SAI India

The 16th ASOSAI Assembly, held from 21st September to 27th September 2024, included key events such as the Opening Ceremony, two Plenary Sessions and the 9th ASOSAI Symposium. The meetings started from 21st September with working-level meetings followed by the 60th Governing Board meeting on 23rd September 2024.



The Opening Ceremony of 16th ASOSAI Assembly graced by the Hon'ble President of India as the Chief Guest

The Assembly commenced with an inspiring Opening Ceremony on 24th September 2024, graced by the presence of Her Excellency, the Hon'ble President of India, Smt. Droupadi Murmu as the Chief Guest. In her address to the Assembly, the Hon'ble President underscored the vital role SAIs play in national governance. The CAG of India, as host and incoming ASOSAI Chair, delivered the welcome address emphasising the imperative of strengthened collaboration among member SAIs to effectively address emerging regional challenges.

The ceremony also featured an address by H.E. General Chanathap Indamra, Chairman of ASOSAI. The Opening Ceremony effectively set a collaborative and forward looking tone for the Assembly, highlighting the shared commitment to advancing public audit within the ASOSAI region. The ceremony was attended by distinguished delegates from the International Organization of Supreme Audit Institutions (INTOSAI), INTOSAI Development Initiative (IDI) and member SAIs.

3.3 16th ASOSAI Assembly: Strategic Deliberations and Key Decisions

The 16th ASOSAI Assembly featured two pivotal plenary sessions dedicated to strategic discussions and decision-making. The first plenary convened directly after the Opening Ceremony, focused on core organisational and operational matters, reviewing past activities and setting the framework for future work. The second plenary, held towards the Assembly's conclusion, built upon these foundations, focusing on governance matters and outlining the future direction for ASOSAI. These plenary sessions were strategically vital for the Assembly, in advancing ASOSAI's agenda and reinforcing its continued effectiveness in the region. Key agenda items discussed and decisions made across these sessions included:

- **Financial Stewardship and Budget Approval**: Member SAIs meticulously reviewed and approved the ASOSAI financial statements for financial years 2021-2023 and the budget for financial years 2024-2027, ensuring responsible financial governance for the organisation's upcoming triennium.

- **Strategic Plan and Capacity Development Initiatives**: Progress reports on the ASOSAI Strategic Plan and Capacity Development activities were presented with valuable contributions from the IDI. These discussions reaffirmed ASOSAI's commitment to enhancing the professional capabilities of its member SAIs through targeted and collaborative capacity building programmes.

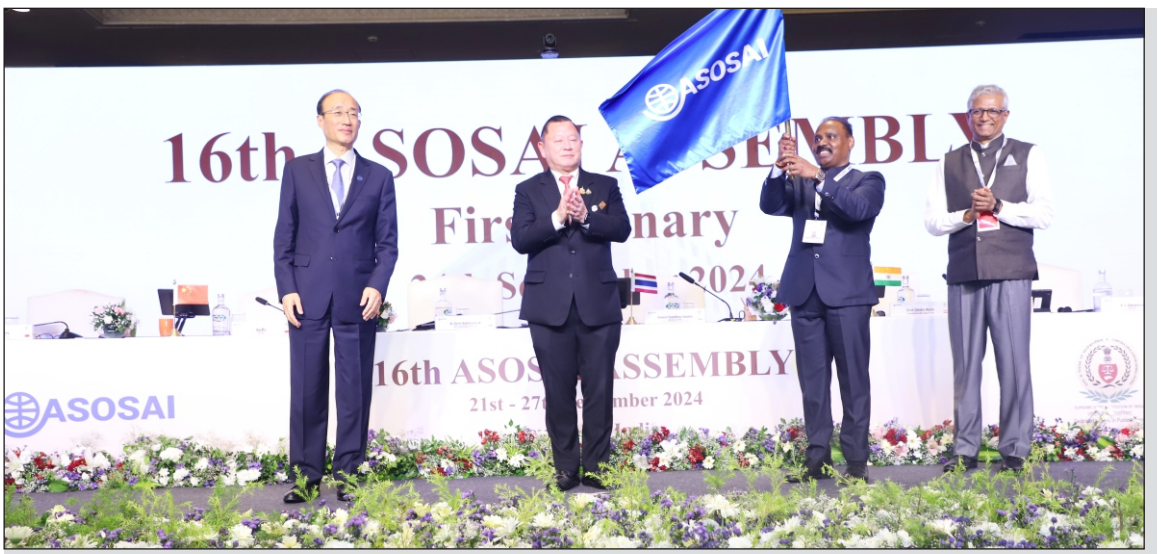
- **Research and Declarations – Guiding Audit Practice**: The Assembly received reports on the outcomes of the Bangkok Declaration and the 13th ASOSAI Research Project. These initiatives exemplify ASOSAI's dedication to evidence-based practices and the development of guiding principles that inform and strengthen audit methodologies across the region.

- **Working Group Updates and Expansion**: Reports from existing ASOSAI Working Groups, focusing on crucial areas such as Environmental Audit, Sustainable Development Goals and Crisis Management Audit showcased ongoing collaborative work and knowledge sharing. Notably, the Assembly approved the establishment of new

Working Groups on State-Owned Enterprises, IT Audit and Data Analytics and Regional & Municipal Audit, demonstrating ASOSAI's proactive approach to addressing contemporary challenges and evolving audit landscapes.

- **Regulatory Framework Enhancements**: The review and approval of amendments to ASOSAI regulations, based on the report of the Task Force for ASOSAI Regulations, ensured the organisation's operational framework remains robust, relevant and aligned with best practices.

- **Leadership Transition and Continuity**: The session included self-nominations for the Governing Board and Audit Committee, along with video messages from the INTOSAI CBC and EUROSAI Chairs, reinforcing the interconnectedness of the global audit community. The formal handover of the ASOSAI Chairmanship from SAI Thailand to SAI India for the term 2024-2027 marked a significant transition, entrusting SAI India with the leadership responsibilities for the coming triennium.



The CAG of India as the new Chair of ASOSAI with the Organisation Flag

- **Election of Governing Board and Audit Committee Members**: The Assembly elected new members to the Governing Board and the Audit Committee for the 2024-2027 term. SAIs of Azerbaijan, Kazakhstan, Republic of Korea, Malaysia, Pakistan, Philippines and the UAE were elected to the Governing Board.

The 16th ASOSAI Assembly in New Delhi successfully convened member SAIs and stakeholders to engage in productive dialogue, strategic decision-making and collaborative planning. The Assembly's focus on governance, transparency, sustainable development, digital inclusion and gender equity reflects the evolving priorities and challenges facing the Asian region. The adoption of the New Delhi Declaration and the transition of ASOSAI Chairmanship to SAI India mark significant milestones, setting a robust foundation for ASOSAI's continued contributions to enhancing public sector auditing and fostering regional progress under the leadership of SAI India for the term 2024-2027. The Assembly concluded with reaffirming the strong spirit of cooperation and shared purpose within the ASOSAI community.

3.4 60th ASOSAI Governing Board Meeting

The 60th Governing Board meeting of the ASOSAI was held in New Delhi on 23 September 2024. The CAG of India attended the meeting.

The ASOSAI Governing Board Meeting decided on activity plans for the following year onwards. Following reports were presented by the CAG of India which were approved by the Governing Board Members :

- Report on the establishment of a Working Group on IT Audit and Data Analytics within ASOSAI
- Report on the preparation for the 16th ASOSAI Assembly and the proposal of the New Delhi Declaration and
- Report on the ASOSAI Journal.



Group Photo of Board Members at the 60th Governing Board Meeting

3.5 61st ASOSAI Governing Board Meeting

The 61st Governing Board meeting of ASOSAI was held in New Delhi on 27 September 2024. The CAG of India chaired the meeting and welcomed the new Governing Board Members. Following agendas items were discussed during the meeting:

- Confirmation of the minutes of the 60th Governing Board Meeting
- Proposal for the theme of the 14th ASOSAI Research Project
- Report on the 17th ASOSAI Assembly in 2027
- Date and venue of the 62nd Governing Board Meeting of ASOSAI
- Proposal for the establishment of the ASOSAI Working Group on Foresight and Public Finance Evaluation (ASOSAI WGFPFE)



ASOSAI Governing Board Members during the 61st Governing Board Meeting held on 27th September 2024 at New Delhi

3.6 9th ASOSAI Symposium: Addressing Inclusion and Gender Equity in Digital Public Infrastructure



Dignitaries at the Ninth ASOSAI Symposium

The 9th ASOSAI Symposium, held on 25th September 2024, focused on the highly relevant theme of "Digital Public Infrastructure and Gender Divide – Issues of Inclusion and Accessibility." Inaugurated by the CAG of India, the symposium featured a keynote address by Ms. Lakshmi M. Puri, Ambassador (retired), a distinguished diplomat & expert who eloquently articulated the critical linkages between digital infrastructure development and gender equality.

Presentations from SAIs of Indonesia, Israel, Malaysia, Oman and Thailand provided diverse national perspectives on the challenges and opportunities related to ensuring inclusive digital

access and mitigating the gender digital divide. The Symposium served as an important platform for SAIs to consider their role in auditing digital infrastructure projects from an inclusion and equity lens, promoting digital accessibility for all genders.

3.7 ASOSAI Journal

As the Chairman of the Board of Editors of ASOSAI Journal of Government Audit, CAG has been granted ex-officio membership of the Governing Board (GB) of ASOSAI for the period 2021-2024. The ASOSAI Journal is published twice a year. The articles for the ASOSAI journal are contributed by member SAIs.

SAI India launched the revamped website of ASOSAI journal in August 2021 with a redesigned downloadable PDF to uplift the reading experience of its users with quality knowledge content, enhanced design, and interactive features. SAI India also launched the 'X' handle of ASOSAI Journal @Asosai Journal for its wider outreach and dissemination among the public accountability and audit fraternity.

Latest issue of the e-Journal of October 2024 on the theme of "AI and Machine Learning in Public Sector Auditing: Opportunities and challenges" was hosted on the website www.asosaijournal.org.

3.8 14th ASOSAI Research Project

In view of the emphasis on audit of emerging areas, SAI India contributes significantly in all the Research Projects of ASOSAI. During the 61st Governing Board Meeting of ASOSAI held in September 2024, the topic " Leveraging Artificial Intelligence to Enhance Efficiency and Effectiveness in Public Auditing" was selected as the theme of the 14th ASOSAI Research Project. The final deliverables will be submitted at the 17th ASOSAI Assembly in Saudi Arabia in 2027.

3.9 ASOSAI Seminar 2024

The ASOSAI Seminar 2024 on "Dealing with Fraud and Corruption in Auditing" was organised by ASOSAI in collaboration with the Commission on Audit of the Republic of the Philippines (SAI Philippines) from 21-25 October 2024 at Manila, Philippines. The objectives of the seminar were to: (i) share experience and knowledge on "Dealing with Fraud and Corruption in Auditing" and (ii) identify good practices regarding the theme. One Director from SAI India attended the seminar.



Group photo of the participants, Subject Matter Experts and representatives of ASOSAI CDA

3.10 10th ASOSAI Seminar on Environmental Auditing and the 10th Working Meeting of ASOSAI WGEA

The seminar was organised by ASOSAI WGEA chair, SAI China, in collaboration with SAI Indonesia in Yogyakarta in Central Java from 24-26 February 2025. The Chair of the Audit Board of the Republic of Indonesia (BPK), officially opened the 10th ASOSAI Seminar on Environmental Auditing and the 10th Working Meeting of ASOSAI WGEA in Yogyakarta. The event was attended by 38 participants from 16 countries.

ADAI (NCR) and a Director from SAI India attended the 10th ASOSAI Seminar and 10th Working meeting of ASOSAI WGEA and made presentation on "Solid Waste Management Audit Country Paper" highlighting the diverse categories of solid waste in India. Presentation discussed initiatives taken by Government of India such as Swachh Bharat Mission – Urban and Grameen and highlighted good practices with the example of success of Indore Municipal Corporation.



Group photo of the participants at 10th ASOSAI WGEA Seminar on Environmental Auditing

3.11 ASOSAI Capacity Development Programme on "Dealing with Fraud and Corruption in Auditing -Sub Regional Audit Planning Meeting

The meeting hosted by SAI Thailand was held in Bangkok, Thailand from 3 to 7 March 2025. SAI teams presented the draft audit plans developed by them, discussed and shared their experiences in preparing audit plans and reviewed and revised audit plans as needed to reflect mentors' comments, peer review and discussion with other participants.

One Director and two Senior AOs from SAI India attended the event.



Group photo of the participants at Sub-regional Audit Planning meeting, Bangkok, Thailand 3-7 March 2025

3.12 ASOSAI Working Group on State Owned Enterprises Audit (WGSOEA)

The 16th ASOSAI Assembly approved the establishment of the Working Group in September 2024. The Working Group established with a mission to elevate the role of member SAIs in fostering the improvement of ethics, accountability, transparency and sustainability in the management and governance of the State-Owned enterprises. SAI India actively participated in the activities of working Group including the feasibility study for establishing the Working Group.

3.13 ASOSAI Working Group on Regional and Municipal Audit (WGRMA)

The 16th ASOSAI Assembly approved the establishment of the Working Group in September 2024. The Working Group aims to promote knowledge-sharing and capacity building among ASOSAI members in the field of local governance auditing.

3.14 ASOSAI Working Group on IT Audit and Data Analytics (WGITA&DA)

The 16th ASOSAI Assembly approved the establishment of the Working Group in September 2024. The Working Group is established with the purpose of sharing best practices in Information Technology and Data Analytics. The invitation letters were sent to member SAIs of ASOSAI to join the Working Group and 20 SAIs expressed their willingness to join the Working Group. The inaugural meeting will focus on drafting the Terms of Reference, key priorities and the operational framework of the Working Group.

CHAPTER-4

Bilateral/Multilateral interactions

4.1 Multilateral Engagements of SAI India

4.1.1 SAI20 Engagement Group

Under the aegis of the Presidency of G20 by Brazil in 2024, Federal Court of Accounts - Brazil (SAI Brazil) has taken over the charge as Chair of the SAI20 Engagement Group. SAI Brazil hosted the SAI20 Summit 2024 in Belém Para, Brazil from 16-18 June 2024 on two priority areas of themes 'Climate Financing' and 'Fight against hunger and poverty'. The objective of the summit was to endorse the SAI20 Communique which represented the collective stance and recommendations of SAI20 members on the key issues related to climate financing and energy transition and fight against poverty and hunger.

The CAG of India, as a member of the Troika, attended the summit with his delegation. In his address, the CAG of India underscored the interconnectedness of global challenges, particularly highlighting that climate change impacts all aspects of life, posing a fundamental threat to existence. He emphasised that climate finance connects the urgent need for climate action with the financial mechanisms required to propel that action forward.



SAI20 Summit in Belém, Brazil

Addressing the themes of poverty and hunger, the CAG noted that despite significant progress, millions worldwide still lack access to basic necessities such as food, clean water and healthcare. He highlighted the strong positive correlation between multidimensional poverty and climate change vulnerability, stressing the urgent need for innovative solutions and robust audit mechanisms to ensure transparency, accountability and tangible outcomes. The CAG reiterated that SAIs bear a critical responsibility to audit these complex areas effectively, taking into account their intricacies, trade-offs and opportunity costs.

As a culmination of the SAI20 Summit 2024, SAI20 Communique was adopted by the member SAIs. In the Communique, the SAI20 member reaffirmed their dedication to promoting accountability and transparency and pledged to work closely with governments and stakeholders to combat hunger and poverty and ensure effectiveness of climate action, with a specific emphasis on fostering just and inclusive energy transitions.

4.1.2 BRICS SAI Meeting 2024

The 4th BRICS SAI meeting was hosted by SAI Russia and held in Ufa, Russian Federation during 30-31 July 2024. One Deputy Comptroller Auditor General and one Director from SAI India participated in the meeting and made a presentation on Local Self-Government Structure in India and its audit by SAI India. During the meeting, BRICS SAI members adopted the declaration on –

(i) Increasing the role of SAIs in achievement of Sustainable Development Goals

(ii) Commitment to progress of auditing at all public governance levels

(iii) Countering corruption

(iv) Transparency and accountability

4.1.3 BRICS Seminar on "Auditing Sustainable Urban Development – Sustainable cities and communities, green cities"

SAI India hosted the BRICS SAIs Virtual Seminar on "Auditing Sustainable Urban Development – Sustainable cities and communities, green cities" on 13 December 2024. A presentation on "Auditing Sustainable Urban Development (Smart Cities Mission: Flagship Scheme)" was made by SAI India. The presentation highlighted the audit approach for the extensive audit of the initiative, based on a sample of 41 "smart cities" and a preliminary risk analysis. Important components of the audit such as planning audit of the Smart City initiative, financial management, monitoring the implementation of public measures, as well as comprehensive assessment of the mission results were outlined.

4.1.4 Shanghai Cooperation Organisation (SCO) Webinar on "Use of Data Analytics in Audit"

SAI India hosted an online seminar on "Use of Data Analytics in Audit" on 22 April 2024 for SCO SAI Member States. The purpose of the seminar was to explore and exchange the various ways in which the SCO SAIs fraternity is making use of data analytics for risk assessment, streamlining operations and better decision making. SAI India made a presentation on the subject elucidating the SAI India's opportunity, challenges and its responses in audit using data analytics.

4.2 Bilateral Engagements of SAI India

4.2.1 Signing of MoU with SAI Uzbekistan

The CAG of India, in a step towards fostering international cooperation, signed a Memorandum of Understanding (MoU) with SAI Uzbekistan, the Chamber of Accounts, Republic of Uzbekistan in Tashkent on 12 August 2024. The MoU is aimed to enhance collaboration and the exchange of expertise in the field of auditing between the two nations. Through this MoU, a platform

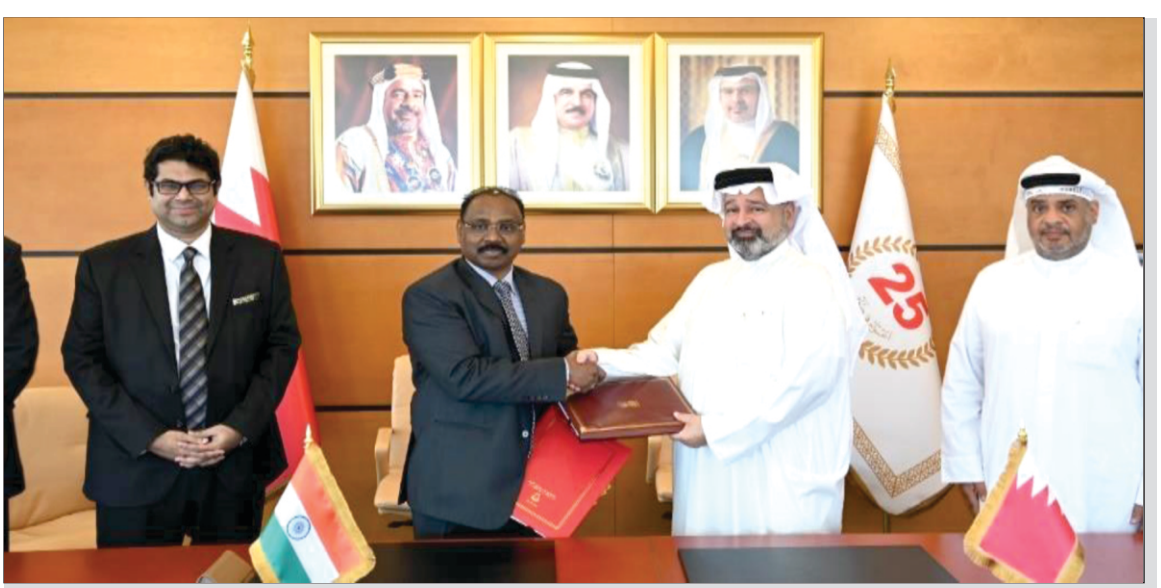
has been established for the exchange of knowledge and experience amongst auditing professionals and technical teams through collaboration in training programmes and mutual assistance in conducting audits.



CAG of India with Mr. Adiz Muzaffarovich Boboyev Chairman, Chamber of Accounts Republic of Uzbekistan

4.2.2 Signing of MoU with SAI Bahrain

CAG of India signed an MoU with SAI Bahrain on 27 August 2024 to further extend its outreach. This bilateral agreement was signed to encourage mutual co-operation in the fields of audit activities, developing professional skills of the staff members of both the SAIs and coordinating their efforts in the meetings of the regional and international Supreme Audit Organisations.



CAG of India with Auditor General of National Audit Office of Bahrain, Mr. Shaikh Ahmed Bin Mohammed Al Khalifa

4.2.3 Signing of MoU with SAI Saudi Arabia

The CAG of India signed an MoU with the General Court of Audit, Kingdom of Saudi Arabia (SAI Saudi Arabia) during a bilateral meeting with the President of SAI Saudi Arabia on 29 August 2024 in Riyadh, Saudi Arabia. The MoU was signed with the aim of strengthening cooperation and exchange of expertise between the two nations in the field of public sector auditing. The area of cooperation encompasses conducting joint training programmes on the topics related to financial, performance and compliance audits and exchange of audit manuals and audit methodologies.



CAG of India with Dr. Hussam Abdulmohsen Alangari, the President, General Court of Audit, Kingdom of Saudi Arabia

4.2.4 Signing of MoU with SAI United Arab Emirates (UAE)

The CAG of India signed an MoU with the UAE Accountability Authority of the United Arab Emirates (SAI UAE) during a bilateral meeting with the President of UAE Accountability Authority on 2 September 2024 in Abu Dhabi, UAE. The objective of the MoU was to promote and develop cooperation between the two SAIs in order to strengthen respective institution's professional capacity and improve methodologies in the field of public sector audit. Other areas of cooperation committed through this MoU include exchange of knowledge and experiences in the area of public auditing and conducting capacity development programs at SAI India or SAI UAE on need basis.



CAG of India with Chairman, UAE Accountability Authority of the United Arab Emirates, Mr. Humaid Obaid Abushibs

4.2.5 Signing of MoU with SAI Seychelles

The CAG of India has taken a significant step towards strengthening international ties by signing an MoU with SAI Seychelles, the Office of the Auditor General of the Republic of Seychelles. The MoU was singed on 21 October 2024.



CAG of India with Mr. Gamini Herath, Auditor General of Republic Seychelles

The agreement, signed by the CAG of India and Mr. Gamini Herath, Auditor General of Republic of Seychelles, aims to promote and develop the cooperation in order to strengthen respective institution's professional capacity and improve methodologies in the field of audit of public finance. This MoU establishes a collaborative framework for knowledge sharing, facilitating training programs, expert visits and exchange of technical expertise and research findings in auditing.

4.2.6 Indo- Kuwait Seminar on "Post Pandemic Economic Recovery"

The Indo-Kuwait bilateral seminar on the theme of "Post Pandemic Economic Recovery" was held from 21-23 January 2025 in India at Bengaluru. SAI India was represented by the Director General (International Relations) & Pr. Accountant General, Audit-II, (Karnataka). SAI Kuwait was represented by Director, Oil Bodies Marketing and Investment Audit Department and Asstt/Director, Performance Audit Department.



Group Photo of delegates for Indo-Kuwait Seminar

During the seminar, SAI India presented insights on India's post-pandemic economic recovery and also on taxation reforms post pandemic economic recovery in India. SAI Kuwait contributed with presentation on Kuwait's economic recovery post-pandemic, outlining fiscal measures and economic diversification efforts. Additionally, SAI Kuwait presented the country's Second Voluntary National Review Report 2023.

4.2.7 21st Indo- Polish Seminar

The Indo-Polish bilateral seminar was held from 26 February to 2 March 2025 in India at Shimla. A bilateral interaction between CAG of India and President of Supreme Audit Office of Poland was held on 25 February 2025 at New Delhi.



CAG of India with President of Supreme Audit Office of Poland (NIK)
Mr. Marian Banaś and the Polish delegates for 21st Indo-Polish Seminar in India



Participants of 21st Indo-Polish Seminar

Delegation from SAI India was represented by Dy. CAG (CRA) & CTO, Director General, NAAA Shimla and Director (IR-I).

During the seminar at Shimla, SAI India made presentations on Generation of Audit Report through IT Workflow systems and Annual Audit Planning (Strategic Planning). SAI Poland made presentations on Quality of Audit (Audit of the special Justice fund for the victims of crimes) and SIRAM case in Poland (threats to the independence of a SAI). The visit included a tour of the IA&AD Museum at the Chadwick House. The evening included a cultural programme at Yarrows.

4.2.8 Meeting with SAI Seychelles

A delegation headed by Auditor General of SAI Seychelles visited SAI India for a study visit from 3-6 March 2025. The delegation met CAG of India on 3 March at headquarters office of SAI India.



CAG of India with Auditor General of Seychelles and delegates from SAI Seychelles during the study visit to SAI India

During the study visit, the delegation visited Centre of Data Management and Analytics to have insights into how SAI India is using technology to shape audit practices. The delegation also visited iCED Jaipur to have an understanding of SAI India's environmental auditing and capacity-building initiatives. iCED serves as a hub for research and training on sustainability audits, aligning with global efforts to enhance environmental governance.

4.2.9 Meeting with delegation from Vietnam headed by H.E. Mr. Hguyen Duc Hai Vice Chairman of the National Assembly of Vietnam

A delegation headed by H.E. Mr. Hguyen Duc Hai, Vice Chairman of the National Assembly of Vietnam visited headquarters office of SAI India on 17 March 2025 to meet Comptroller and Auditor General of India. SAI India's participants for the meeting were Dy. CAG (HR, IR, Coord. & Legal), Dy. CAG (Defence & Local Government Audit), Dy. CAG (Railways), Dy. CAG (RC), Dy. CAG (Commercial), Dy. CAG (Central Revenue) & Chief Technology Officer, Director General (International Relations), Principal Director and Secretary to the C&AG and Director (International Relations).



CAG of India and Dy. CAGs with H.E. Mr. Hguyen Duc Hai, Vice Chairman of the National Assembly and delegates from Vietnam

CHAPTER-5

International Training Programmes

SAI India assists other SAIs in their capacity building for enhancing audit skills of their staff members. The course content of SAI India programmes is drawn from real life audit scenarios and presented by executives with first-hand experience in the delivery of government schemes and programmes. The details of such efforts during 2024-25 are given below.

5.1 National Academy of Audit and Accounts

National Academy of Audit and Accounts (NAAA) conducts the induction training of the Officer Trainees of the Indian Audit & Accounts Service (IA&AS) recruited through the Civil Services Examination conducted by the Union Public Service Commission.

SAI India plays an important role in Human Resource Capacity Building in international arena also. SAI India and SAI Bhutan have signed a Memorandum of Understanding (MoU) in the field of public audit. The Article II of MoU contains a provision of capacity building of Officer Trainees of SAI Bhutan through training in Indian Audit & Accounts Service (IA&AS) courses conducted by SAI India. Accordingly, every year, two Officers from the Royal Audit Authority (RAA) are trained at the NAAA along-with the IA&AS Officer Trainees.

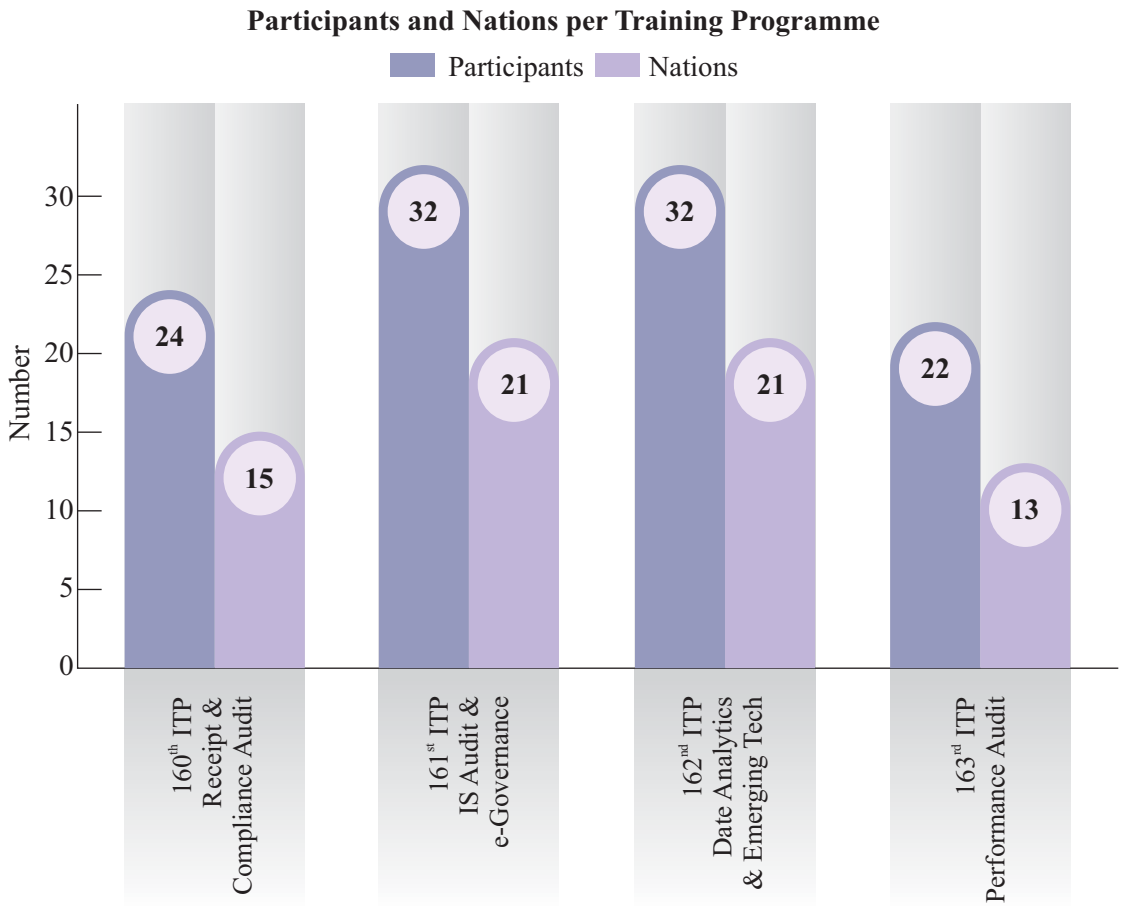
Under the ambit of the MoU between SAI India and SAI Maldives (signed on 24 October 2021), the SAI India offered to provide training on capacity building and strengthening audit methodologies to SAI Maldives during the visit of Mr. Hussain Niyazy, Auditor General of Maldives to India in February 2022. Accordingly, SAI Maldives nominated two of their officers for training at National Academy of Audit and Accounts, Shimla and they have successfully undergone training with 2022 batch of IA&AS Officer Trainees.

During 2024-25, four officers (two each with 2023 and 2024 batch of IA&AS Officer Trainees) from Royal Audit Authority, Bhutan are being trained at the Academy.

5.2 International Centre for Information Systems and Audit

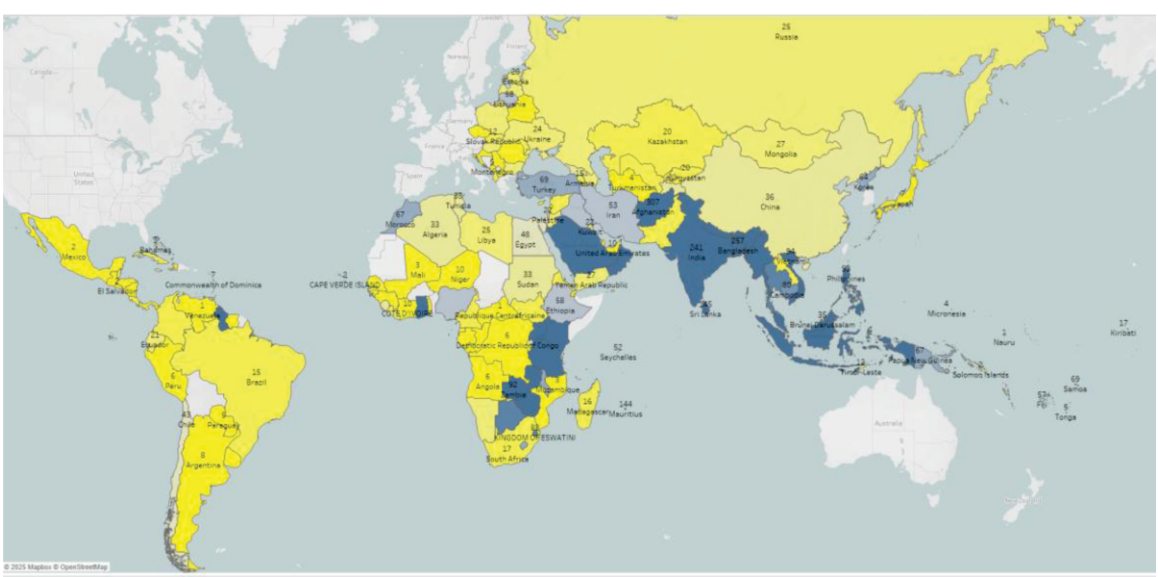
The International Centre for Information Systems and Audit (iCISA) imparts training to the professionals from the SAIs & Government Organisations across the globe. The programmes offered at iCISA provide the officials with the tools and techniques required for effective auditing in line with the best professional practices.

During 2024-25, iCISA conducted four international training programmes (multilateral) under ITEC in which 110 participants from 39 countries were trained.



Two nations, Republic of Sao Tome and Venezuela participated for the first time taking the total tally of participating nations so far to 154.

Global Outreach of iCISA



- **Innovative Audit Methodologies:-** iCISA adopted innovative audit methodologies and introduced new courses to ensure maximum takeaways for the international participants as outlined below:

  - **Online Certification Courses:-** A short duration online certification course on Data Analytics (Power BI & Python) using Udemy platform was introduced as a subset of international training programmes.

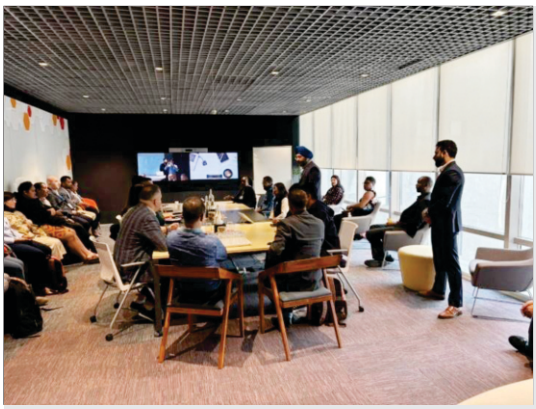
  - **Bilingual Training Programmes using AI tool:-** iCISA conducted a bilingual training programme with real time Spanish interpretation using an AI tool to minimise language barriers and maximise learning outcomes. The training was well received by the participants.



Translation in Spanish using AI tool WORDLY

- **Course on Use of Data Analytics & Emerging Technologies in Audit:-** To cater to auditing requirements in the ever evolving IT landscape, iCISA conducted an international training programme exclusively on Use of Data Analytics & Emerging Technologies in Audit

- **Field Visits:-** With an eye on experiential learning, field visits have been an integral part of the international training programmes conducted by iCISA. During 2024–25, visits were organised to PwC's Gen AI Lab, Gurugram, Centre for Development of Advanced Computing (CDAC), Noida, Centre for Machine Intelligence, Data Science (C-MInDS) IIT Mumbai, Tamil Nadu e- Governance Agency, T-Hub–Hyderabad, the Indian Parliament etc. These visits provided the international participants with valuable insights into emerging information systems concepts, their practical application in the fields of governance and audit and accountability framework of the Government of India.



PwC's Gen AI Lab, Gurugram



(C-MInDS), IIT Mumbai



T-Hub -Hyderabad



Visit of Parliament House

- **Visit of Ambassadors / High Commissioners**

  Ambassadors and High Commissioners of the participating nations are invited during the international training programmes to share the details relating to economy, polity and governance issues of their country. This serves as an interesting platform for exchange of knowledge and gaining diverse perspectives. Ambassadors /High Commissioners of Fiji, Seychelles and Mongolia visited iCISA during 2024-25.



H. E. Mr. Jagannath Sami,
High Commissioner of the Republic of Fiji



H. E. Mrs. Lalatiana Accouche
High Commissioner of Seychelles



H.E Mr. Ganbold Dambajav Ambassador of Mongolia

Apart from this, iCISA conducted four bilateral training programmes which were attended by 83 participants as detailed below:-

Training Programme	Target Audience	Number of Officers	Programme
Training on Electronic Data Analysis	Officers of SAI Oman	20	SFS
Training on Quality Control & Quality Assurance	Officers of SAI Syria Arabic Interpretation	13	ITEC
Training on Performance Audit	Officers of Ministry of Inspection, Cambodia	20	ITEC
Executive Development Programme on Financial Management & Internal Audit Procedure	Officers of Government of Mongolia	30	ITEC



"I would like to express sincere thanks and gratitude from the bottom of my heart to the Government of India, ITEC, the Management and all staff of iCISA and fellow participants for the opportunity to be a part of the 162nd ITP. Over the past weeks I have been able to learn so much from the training provided which l'm very much grateful for. I will take this knowledge and share with my SAl and also use it as a stepping stone for my self-development."

Christopher Williams, Guyana 162nd ITP on Use of Data Analytics & Emerging Technologies in Audit

"Thank you to the Management and staff of iCISA. I appreciate the kindness and enthusiasm throughout the program. I was deeply inspired and encouraged to learn seeing the team spirit among iCISA as it delivered impressive sessions all through the program. It was really a worthy thing for me to be part of this life changing training. I look forward to continuous engagement as we pull through our career in the IT environment. NAMASTE."



Ajiva Mercy, Nigeria 161st ITP IS Audit and Audit of e-Governance



"We would like to express our sincere gratitude to everyone involved in organizing the executive program here in India. Thank you for warmly welcoming the 30 delegates from the Government of Mongolia and for generously sharing your country's remarkable development, rich culture, and long-standing history with us. We have gained valuable insights and practical knowledge that we hope to adopt and apply to improve the operations of the Mongolian government. Your experiences in digital transformation, infrastructure development, and efficient governance have left a lasting impression on us."

Ts. Munkhzul Executive Development Programme for Mongolia

REPUBLIC OF CROATIA
STATE AUDIT OFFICE

On behalf of the State Audit Office of the Republic of Croatia and on my own behalf, I would like to express my appreciation to the Supreme Audit Institution of India, for the kind invitation, extremely kind hospitality extended to our colleagues during the whole stay, and for the generous financial support ensured by the Government of India during the 162nd International Training Programme on Use of Data Analytics and Emerging Technologies in Audit. We are grateful for such an opportunity provided to our employees.

I would like to take this opportunity to inform you that our colleagues returned to Croatia full of wonderful impressions related to the rich Indian history and culture, with the excellent organization of accommodation during their stay in India, as well as the content of the training itself, which they assessed as extremely high quality and useful.

Auditor General SAI Croatia

Tribunal de Contas da União

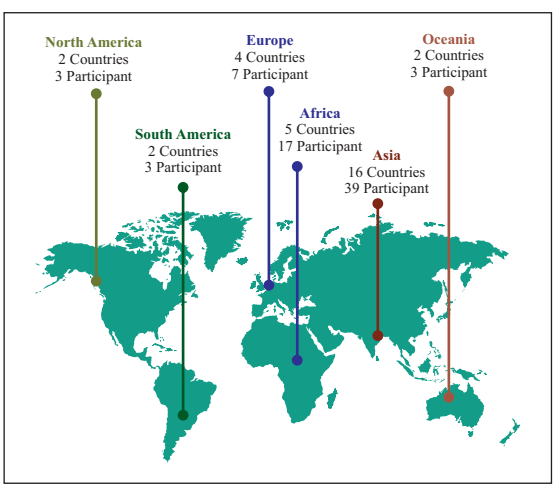
On behalf of the Federal Court of Accounts, we would like to express our sincere gratitude for the opportunity to participate in the "162nd ITP on Use of Data Analytics and Emerging Technologies in Audit", offered by the International Centre for Information Systems and Audit (iCISA) of the Supreme Audit Institution of India, held from February 5 to 28, 2025. This course is of great importance for the qualification of our civil servants, who showed significant enthusiasm in taking part.

Department of International Relations Federal Court of Accounts – Brazil

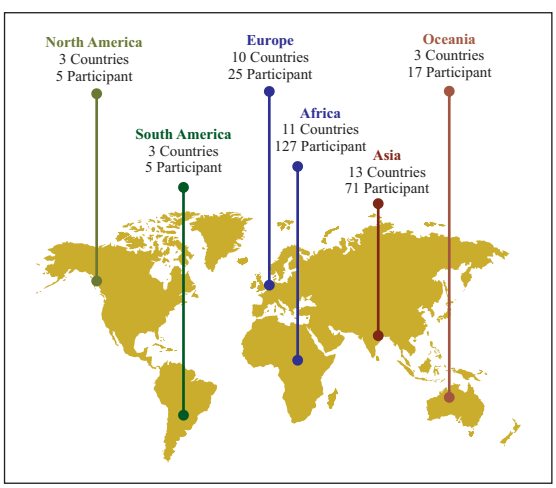
5.3 International Centre for Environmental Audit & Sustainable Development

iCED's mandate extends to impart capacity building, knowledge and experience-sharing in the area of environment audit and sustainable development to a diverse community of SAIs globally. During 2024-25, iCED conducted one International Webinar, two International Workshops and three International Training Programmes for 324 participants from 54 SAIs including 10 IA&AS Officers. These were highly appreciated by all participants. The training programmes included sessions on multi-dimensional aspects of auditing Blue Economy with special reference to SDG-14, Renewable Energy Development Strategies and Mechanism with special reference to Solar Energy and Introduction of Environment Auditing (INTOSAI WGEA) conducted by domain experts and distinguished academicians including twenty one faculty from global SAIs/organisations viz., AFROSAI – E, SAI, Brazil, SAI Finland, SAI Indonesia, SAI Kenya, SAI Maldives, SAI, Thailand, SAI, Uganda, SAI, United States of America and United Nations Development Programme.

iCED's Global Outreach in 2024-25



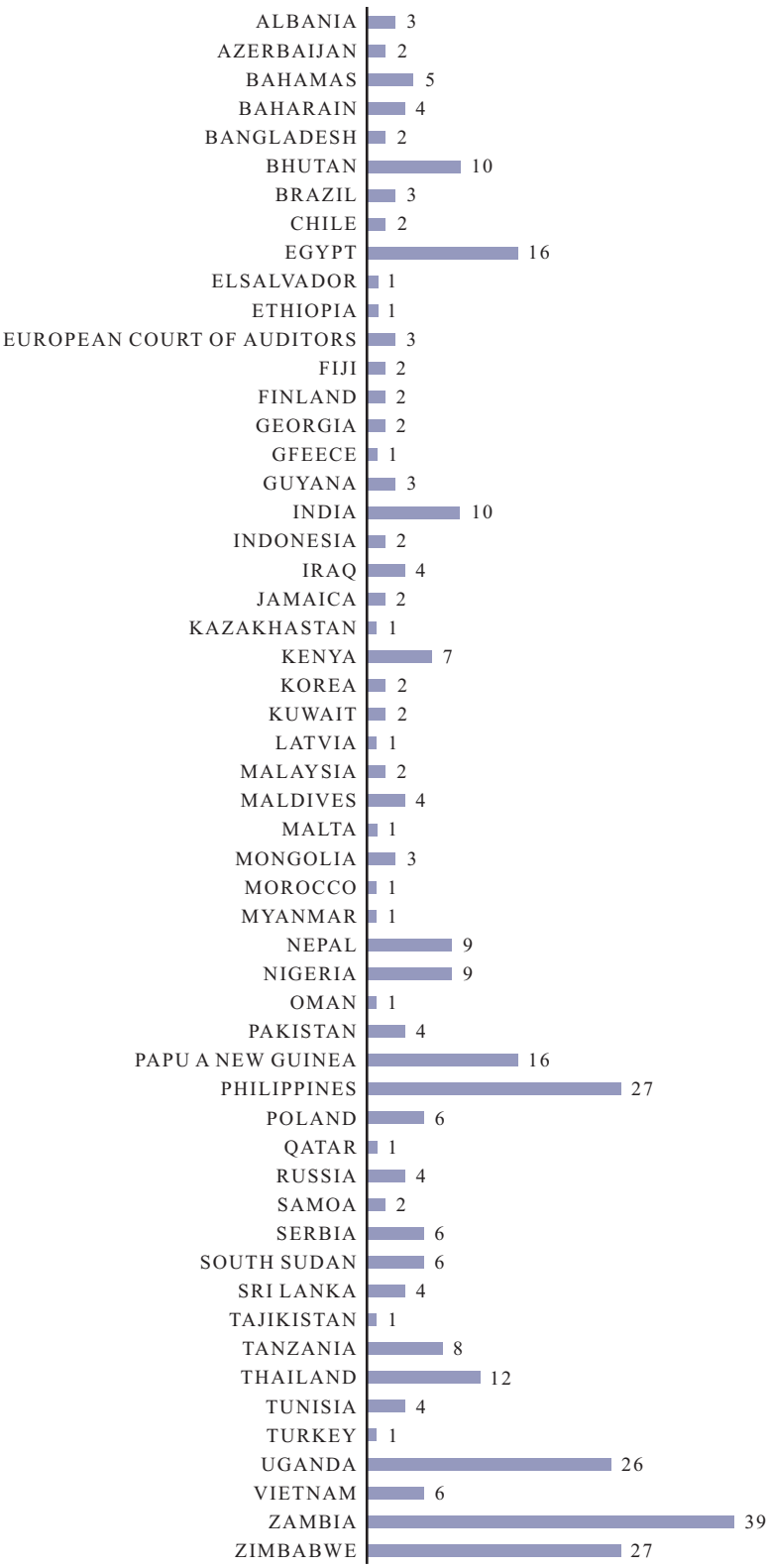
Onsite Training Programmes



Online Training Programmes

324 Participants From 54 SAIs

Number of Participants





Group photo during the inauguration of International Workshop on 'Biodiversity with special reference to forest resources"



Group Photo during International Training Programme on Introduction to Environmental Auditing



Group Photo during International Workshop on INTOSAI WGEA Climate Scanner Project

iCED- Striving for Excellence

Feedback from International Training Programme participants

"Thank you to the iCED and the WGEI for the organization of this international training and thanks to all the professors and colleagues of SAI India, for all your endeavours to make this happen and succeed with consideration.."

SAI Tunisia

April-2024

"Thank you for the time and for sharing with us significant inputs on Sustainable Transport"

Ms. Nelia Melissa A. Reodique,

SAI Philippines

September-2024

"The timing of the whole course is adequate to cover all the necessary information in relation to the topic"

Mr. Donabel Estacio

SAI Philippines

September-2024

"I want to take a moment to express my sincere gratitude to each and every one of you. It has been a privilege to collaborate with such a talented and dedicated group of professionals at iCED.

The insights, experiences, and perspectives shared during this time have been invaluable, and I truly believe we have all grown both personally and professionally. Thank you for the supporting services given with love and care. Thank you for your hard work, your enthusiasm, and your commitment throughout the entire training."

Ms. Thilaka Imbuldeniya, SAI Sri Lanka

November-2024

"The knowledge gained from attending this training will be helpful for conducting environmental and climate change audits related to the transport sector"

Ms. Elisangela Papst, SAI Brazil

September-2024

"Thank you very much for organising the valuable training on the Audit of Extractive Industries. All sessions I found very useful."

European Court of Auditors

April-2024

Comptroller and
Auditor General of India
http://www.cag.gov.in