

ICT initiative in Empanelment of CA Firms for Allotment of PSU Audit

The Comptroller & Auditor General (CAG) of India as the Head of Supreme Audit Institution of India conducts the auditing of accounts of all the government organizations and companies in which government interests are involved. The government offices are audited by its field offices, spread across the country. In respect of government companies, CAG is empowered to appoint the Auditors and for this purpose, every year applications are invited from Chartered Accountant (CA) firms and a panel is maintained by the CAG for the allotment of auditors for Public Sector Undertakings (PSUs) audit for the ensuing financial year.



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National Informatics Centre has been providing technical support to the office of CAG of India and its field offices in computerisation of various e-Governance activities and Network support.

The project “Empanelment of CA firms for Allotment of PSU Audit (ECAPSU)” has been developed and successfully implemented by NIC at CAG office since 2005. Earlier Chartered Accountant firms from all over India were sending application

forms by post and the information was fed in computer by the office of CAG. The introduction of ICT initiative in various processes of empanelment, “On-line submission of applications of CA firms, selection process of auditors, allotment of PSU, etc” has helped CAG office to efficiently prepare the empanelment of CA firms for allotment of PSU audit. The system facilitates in speeding up the verification and processing of voluminous data of CA firms.



Excerpt of message from Sh. Sunil Verma, Dy. Comptroller and Auditor General cum-Chairman Audit Board

Sh. S. C. D. Gupta, Sr. Technical Director and his team has greatly speeded up and systematised our annual process of empanelment of Chartered Accountant firms through design and implementation of a web-based on-line system for data input by chartered accountants directly. I am sure that this highly dedicated and motivated NIC team will continue to improve and refine this system to make it more and more user-friendly and easy to use.

This is to place on record my deep appreciation of the efforts made by Sh. S.C.D. Gupta and his team towards this and other projects that have greatly improved the quality of governance through effective use of the latest and most sophisticated Information Technology tools.

Highlights of ECAPSU System

- On-line Registration of CA firms as all new CA firms have to register first time with their own user-id and password for entering firm details.
- On-line submission of Applications from CA firms, only by registered users.
- Online updation of the details of firms only from the registered / existing firms after entering valid login and correct acknowledgment number, issued by CAG office.
- On-line system to view the empanelment and audit allotment status of CA firms, for PSU audit.
- Help facility module for those forgotten their password and be informed them by email.
- Linking the already captured data of CA firms with the diarised supporting documents like IT return of the firm, Signatures of partners and CA employees ,etc.

- Empanelment process of CA firms which are eligible for empanelment as per the policy laid down by CAG and ICAI.
- Selection process for allotment of PSU audit to CA firms by correlating the auditor's rank with the audit fees of PSU.
- Selection process to prepare the panel of CA firms for RBI for the auditing of the nationalised banks as per the criteria laid down by RBI.
- The system also facilitates to generate various reports for the management and to address the queries raised by CA firms, RTI, etc.

- Validation Process of the CA firm's data with the electronic file of CA firms provided by the Institute of Chartered Accountants of India (ICAI).
- Ranking process to prepare the rank of auditors on points scored which is calculated based upon various parameters like date of constitution of firm, ISA-CISA qualified, Experience of the firm, number of partners and their association with the firm, number of CA employees, etc.

- Prepare the list of CA firms qualified for Major Audit, based on various factors like constitution date, the size of the firms considering the number of partners, Sectorial experience, etc.
- The system has been audited by IT audit Wing / Review Committee of CAG office so as check points / audit trails inbuilt in the software to be in compliance with the business rules defined for impanelment and allotment of audit to CA firms.

Excerpt of the letter from Sh. K. P. Sashidharan, Director General, Office of CAG, New Delhi.



This is to place on record our deep appreciation for commendable work done by NIC team in smooth implementation of a G2C major project “Empanelment of Chartered Accountant firms for allotment of PSUs Audit,” one of the key constituents of the e-initiatives in the office of Comptroller & Auditor General of India.

The system has been audited by IT Audit Wing of this office and found satisfactory. The system has reduced considerable manual work and saved a lot of time & energy in processing of empanelment and allotment of audit. It has been appreciated by ICAI and CA firms for the system being very user friendly with greater transparency and objectivity, facilitating on-line prompt services to citizens.

Besides the above, there is a continuous process of augmentation as per the new/revised policies and recommendation by IT Audit Task Force. Sh. P. C. Mallik, Principal System Analyst and Smt. Renu Mahindro, Principal System Analyst under the eminent leadership of Sh. S. C. D. Gupta, Senior Technical Director put in considerable efforts and extra hours to timely augment and implement the project successfully. Without their involvement and determination, this project could not have been a success.

Future Plan

- The system will have a facility to upload the scanned supporting documents through on-line system. Presently these are being received by post.

- Information like acknowledgment number, registration details, etc., to CA firms will be sent through SMS also. Presently these are being informed by e-mail.