



The Comptroller And Audit General (CAG) ensures the financial accountability of the Executive to the Legislature while working as an independent Constitutional body. Analyze.

The **Comptroller and Auditor General of India (CAG)** plays a crucial role in ensuring the **financial accountability** of the **Executive** (the government) to the **Legislature** (Parliament or state legislatures). As an independent **constitutional body**, the CAG is empowered to audit government accounts and report on how public funds are utilized. This oversight function is essential to maintaining transparency, accountability, and financial discipline in governance.

Constitutional Position of the CAG

The CAG is an independent authority established by **Article 148** of the Indian Constitution. It holds a critical role in upholding the principles of **parliamentary democracy** by ensuring that public funds, collected through taxes, are used efficiently and according to the law. The CAG is appointed by the President of India and enjoys **security of tenure** and **independence**, which are safeguarded by the Constitution.

Functions of the CAG in Ensuring Financial Accountability:

1. Auditing Government Accounts:

- The CAG audits all **receipts and expenditures** of the Union and State governments, as well as public bodies and authorities that receive government funding. This includes government ministries, departments, public sector undertakings (PSUs), and other government-funded entities.
- By auditing the finances, the CAG ensures that public money is spent according to the approved budget and **financial norms**.

2. Reporting to the Legislature:

- The CAG submits audit reports to the **President or Governor**, who then place them before the respective Parliament or State Legislature. These reports highlight instances of **financial irregularities, wasteful expenditures, and non-compliance** with government regulations.
- The Legislature, through its Public Accounts Committee (PAC), scrutinizes these reports and holds the Executive accountable for any discrepancies.

3. Audit of Public Sector Undertakings (PSUs):

- The CAG also audits **public enterprises**, ensuring that they are run efficiently and economically. Mismanagement, inefficiency, or misuse of funds within PSUs can lead to significant public losses, and the CAG's role is to bring these issues to light.

4. Ensuring Compliance with Financial Rules:

- The CAG examines whether government expenditures are in compliance with **budgetary provisions and statutory requirements**. This ensures that no expenditure is made without legislative approval and that public funds are used for the intended purposes.

5. Performance Audits:

- Beyond financial audits, the CAG conducts **performance audits** to evaluate the effectiveness of government schemes, programs, and projects. These audits assess whether public resources are being used optimally to achieve the desired outcomes.

6. Role in Ensuring Accountability:

- The CAG's findings provide the Legislature with the information needed to question the Executive about any mismanagement or inefficient use of public funds. The PAC and other legislative bodies rely on these audits to enforce **financial accountability**.
- The CAG also plays a role in ensuring that **public debt** is managed responsibly and that the government adheres to fiscal responsibility laws.

Independence of the CAG:

The independence of the CAG is critical to maintaining the integrity of its oversight function. The Constitution ensures this independence in several ways:

1. **Appointment:** The CAG is appointed by the President of India, but the removal process is similar to that of a Supreme Court judge, ensuring that the officeholder is not influenced by the Executive.
2. **Tenure and Salary:** The CAG has a fixed tenure of **6 years** or until the age of **65**, whichever is earlier. The salary and conditions of service cannot be altered to the disadvantage of the CAG during the term.



Salary of CAG is charged expenditure on consolidated fund of India.

3. **Powers and Duties:** The CAG's powers and duties are defined by the Constitution (Article 149) and further elaborated by the **Comptroller and Auditor General's (Duties, Powers, and Conditions of Service) Act, 1971**. This ensures that the office has wide-ranging authority to audit the accounts of the government.

Challenges to the Role of the CAG:

Despite its constitutional safeguards, the CAG faces certain challenges:

1. **Limited Follow-up on Reports:** While the CAG can point out irregularities, the actual implementation of corrective actions lies with the government and Legislature. Sometimes, the recommendations in the CAG's reports are not fully acted upon.
2. **Scope of Audits:** The scope of CAG audits may be limited in areas where certain sectors or schemes are excluded from its purview, especially in cases involving private players or public-private partnerships (PPP).
3. **Pressure from the Executive:** There may be indirect pressure from the Executive to limit critical findings, although the constitutional safeguards help in preserving the independence of the CAG.

Conclusion:

The **Comptroller and Auditor General of India (CAG)** plays a pivotal role in ensuring the financial accountability of the Executive to the Legislature. Through its audits and reports, the CAG provides critical oversight of government spending, ensuring that public funds are used transparently and efficiently. By maintaining its constitutional independence, the CAG acts as a watchdog of public finance, helping to safeguard democracy and foster good governance. However, ensuring full accountability requires stronger legislative follow-up on the CAG's findings and recommendations.