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## **PSIR Test 10 Model Answers**

- i. *Need for conferring legal power:-* while audit notices violation of laws & irregular use of money, CAG should be vested quasi judicial and legal power to take an effective action against those charged with irregularities & misappropriation of the public exchequer .
- ii. *Decentralization of functioning of CAG:-* The organizational structure of CAG is not in consonance with the country's federal arrangement as there's no separate auditor general for centre & states. On the contrary to it, countries with federal structure has separate AG for states such as in USA, Canada etc. thus, to make state audit more effective, independent AGs for the states, with same status as that of HC judges, should be created.
- iii. *Need for collegiate decision (audit commission) :-* unlike India, audit reports placed in legislature are finalized through an audit board or commission in which all senior officers of state audit department are represented such as in Japan and France. In India, the existing system results in neglect of audit or poor quality of audit reports, which can be overcome by sharing the responsibility of CAG with a commission or collegium.
- iv. *Appointment of the CAG :-* It is necessary that the CAG, appointment is kept outside the executive purview of the executive. Recommendations regarding appointment should be made by an independent committee.
- v. *Time limit of tabling of CAG reports to the legislature ---* There is a need for making provision ensure compulsory tabling of appropriation accounts certified by CAG in the legislature.
- vi. *Strengthening public accounts committee (PAC) :-*
  - (a) *PAC should examine all the reports (not partial) submitted by CAG & submit its recommendations to legislatures within a time limit.*
  - (b) *To develop expertise, life of PAC should be made 5 years coextensive with the term of legislature.*