



# भारतीय लोक प्रशासन संस्थान

## INDIAN INSTITUTE OF PUBLIC ADMINISTRATION

### Building Capacity for Good Governance

ಭಾರತೀಯ ಸಾರ್ವಜನಿಕ ಆಡಳಿತ ಸಂಸ್ಥೆ

**Karnataka Regional Branch**

ಕರ್ನಾಟಕ ಪ್ರಾದೇಶಿಕ ಶಾಖೆ

**Virtual Newsletter**

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## Chairman Shri S. Ramanathan Turns 93

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The Executive Committee of the Karnataka Regional Branch of the IIPA extends its warm greetings to its Chairman, Shri S. Ramanathan, who entered his 93<sup>rd</sup> year on 16<sup>th</sup> January 2021, with the fond hope that he will continue to provide inspiring leadership to the Branch with the same boundless energy, dedication and commitment that epitomises his multi-dimensional personality!



Shri. S. Ramanathan, IAS (Retd.)

**Born in Lahore, Pakistan, Shri S. Ramanathan had his schooling in Shimla and Delhi. Studying in the College of Commerce and the St. Stephen's College, Delhi, he obtained an Honours Degree in Commerce and a Post-Graduate Degree in Economics, passing in the First Division. He served as Lecturer in Economics in St. Stephen's College before joining the Indian Administrative Service in 1952.**

**Shri S. Ramanathan started his service career as Assistant Commissioner of Dharwar Division in the erstwhile Bombay State, and Assistant Commissioner, Raichur and Koppal Divisions in the erstwhile Hyderabad State. Having served Karnataka State as Deputy Commissioner of Bijapur, Bellary and Bellary Districts, Deputy Development Commissioner and Secretary to GOK, Development and Cooperation Department, Shri Ramanathan went to Afghanistan Kabul on a United Nations assignment as Community Development Expert to assist the Afghan Government for drafting a law for establishing local self-governing institutions.**

**On his return to India in 1967, Shri Ramanathan served the Central Government as Director (Projects) in the Ministry of**

**Shipping and Transport; Joint Secretary (Projects) in the Ministry of Tourism and Civil Aviation; Whole-Time Member, International Airports Authority of India; Additional Secretary, Ministry of Finance; Chairman, International Airports Authority of India; Secretary to the Government of India, Ministry of Chemicals and Fertilisers; and Secretary to GOI, Cabinet Secretariat.**

**Shri. Ramanathan has rendered outstanding and meritorious services in several sectors of economic development, such as revenue administration, community and rural development, shipping, ports, aviation, life and general insurance, national savings, passenger road transport, chemicals and fertilizers, airport development and industrial infrastructure.**

**In 1982, the International Civil Airports Association, Paris honoured him for his distinguished services to the airports as First Vice-President of the Association.**

**After retirement Shri. Ramanathan was appointed as Director, Indian Institute of Public Administration (1986-88). He did an outstanding job in a difficult working environment and there was a distinct improvement in the overall working of the Institute.**

**A special mention has to be made of his single-handed effort to make out a strong case for building a new airport for Bangalore on a new greenfield site. Noting the chaotic traffic congestion at the HAL airport, he wrote a two-page article in the *Deccan Herald* newspaper dated 1<sup>st</sup> July 1990, in which he highlighted the need for a new airport in Bangalore. At that time, nobody serving in the G O K or G O I or in trade, industry, aviation and tourism associations had even thought of the need for a new airport in Bangalore. After convincing the then Chief minister and Chief Secretary GOK and the Union Minister of Civil Aviation and Secretary, Civil Aviation, of the need for a new airport, G O I, Shri Ramanathan was appointed as Chairman of a High Powered Committee to recommend a suitable site for a new airport. The Committee recommended the site in Devanahalli for the new airport. The rest is history. Thanks to Shri Ramanathan, Bangalore has now at Devanahalli one of the busiest and finest *state-of-the-art* airports in India.**

**Shri. Ramanathan has been an Ordinary/Life Member of the Indian Institute of Public Administration since 1962. From 1962-64, he was Honorary Secretary, IIPA, Mysore Regional Branch. In that capacity, he edited the book titled '*Organization of the Government of Mysore*'. Thereafter, during his tenure in Delhi, Shri. Ramanathan was associated with the programmes and activities of the IIPA for nearly fifteen years. In 1982, he became**

a member of the Executive Council of the IIPA. He has been a distinguished member of this body for close to two decades.

From 1990, when the new Bye-Laws of the Regional Branches were adopted by the Karnataka Regional Branch, he was elected as Chairman of the Branch. This is his 30<sup>th</sup> year as Chairman of the Karnataka Regional Branch, which is a national record.

When he took over as Chairman, the Branch had meagre financial resources and was without any accommodation, library and infrastructure. From this humble beginning, the Karnataka Regional Branch, with financial support from the Government of Karnataka, has grown to be one of the most active Regional Branches in the country. It has been organizing over the years workshops, conferences, seminars and lectures on contemporary issues of public policy, governance and public administration. It has also brought out several important publications.

For his distinguished services to the IIPA and the Discipline of Public Administration, Shri Ramanathan was honoured by IIPA, New Delhi on 16<sup>th</sup> October 2004 by Shri Bhairon Singh Shekhawat, former Vice-President of India, and in Bangalore on 17<sup>th</sup> December 2011 by the former Governors of Karnataka, Shri T N Chaturvedi and Shri H R Bharadwaj.

Shri. Ramanathan authored the book, '*Airport Management: Theory and Practice*' published by the Standing Conference of Public Enterprises, New Delhi. Shri. Ramanathan edited a volume on '*Landmarks in Karnataka Administration*' that was published to celebrate the 40<sup>th</sup> Anniversary for the Indian Institute of Public Administration.

In recognition of his distinguished services in diverse fields of public administration and public service, the Government of Karnataka, on the occasion of the 1998 Karnataka Rajyotsava Day, conferred on him the prestigious Karnataka Rajyotsava Award.

On the occasion of completing 90 years, Shri. S. Ramanathan was honoured on 25<sup>th</sup> January 2019 by the Karnataka Regional Branch of the IIPA with a citation "*as a man with impeccable credentials in the civil service; as leader, motivator, path-finder, and trend-setter; as a builder of institutions; as a model citizen; and above all, as an extra-ordinary human being with rare qualities of head and heart*".

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A Note from the Editor

D. Jeevan Kumar

It gives me great pleasure to place before our esteemed readers, the first issue of the second volume of our **Virtual Newsletter, *Vastava Suddipatra***. We begin this issue by paying our tribute to the nonagenarian Chairman of our Branch, Shri S. Ramanathan, who turned 93 on the 16<sup>th</sup> of this month. We reproduce an updated citation that captures the milestones in his very illustrious career as one of India's distinguished civil servants. He continues to be a role-model to all those who believe that there is no limit to the pursuit of excellence.

This issue is a Special Issue on '***Audit in Governance***'. The Lead Article is by **Shri Ajit Patnaik**, President of the Institute of Public Auditors of India (IPAI), titled *Audit: A Catalyst of Governance*. This is followed by an important observation made by the current Comptroller and Auditor-General of India, **Shri Girish Chandra Murmu**, where he is quoted as stating that "*Constructive Criticism is our Role*". In our section on Activities of our Branch, we carry a report prepared by **Shri T. Sethumadhavan** on "*Implementation of the 74<sup>th</sup> Constitutional Amendment Act in Karnataka, based on the Performance Audit Report of the Comptroller and Auditor-General of India*". We then carry a Book Review on *Government Audit and Governance*, jointly edited by **Shri Ajit Patnaik, Smt. Nandini Kapdi** and **Shri M. Naveen Kumar**. The Editorial Board gratefully acknowledges the role of **Shri T. Sethumadhavan**, IA&AS in compiling and editing the contents of this issue of the Newsletter.

Our Branch warmly welcomes the new Chief Secretary of Karnataka, **Shri P. Ravi Kumar**. We also carry the results of the Extra-Ordinary General Meeting of the Branch. We conclude this newsletter with the column, '***Gender Matters***', which has been entrusted to **Dr. Priyanca Mathur**. In this issue, we feature **Smt. Tulasi Gowda**, one of the 2020 Padma Shri Awardees from Karnataka for Social Work (Environment). She is a 72-year-old Halakki tribal, known to possess amazing knowledge of traditional plants and herbs.

On behalf of the Editorial Board and the Executive Committee of the Branch, I take this opportunity of wishing all our readers a healthy and happy 2021. Please do write in, with your comments, observations and feedback.

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**Lead Article**  
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**Audit – A Catalyst of Governance**  
**Ajit Patnaik**  
President  
Institute of Public Auditors of India (IPAI)

(Extract from Preface of book, '***Government Audit and Governance***', edited by **Ajit Patnaik** (Editor-in-Chief), **Nandini Y. Kapdi** (Editor), and **M. Naveen Kumar** (Editor), published by the **Institute of Public Auditors of India**, New Delhi in 2020. The book has been reviewed in the Book Review section of this Newsletter.)

Audit is a rational and intellectual exercise, and the Indian Audit and Accounts Department is an intellectual tradition, engaged in promoting good governance and accountability as enjoined by the Constitution. Since independence, Audit has evolved in response to the demands of the mandate of the Constitution, reaching different aspects of governance like revenue audit, audit of Public Sector Undertakings, audit of Local Self-Government institutions, and developing new techniques and tools of audit like Performance Audit, Audit of Information Technology, etc. Audit has been a dynamic institution; it has been pro-active, apart from being unfailingly responsive responsibly. It has acted under the strict self-imposed bureaucratic ethics of anonymity; however, its reports have created reverberations in the milieu, by the inherent topicality and investigative explosive potential.

Audit is one point of the anti-deviation triad of governance, whose report cannot by itself achieve a total rectification sweep of cobwebs of governance, but in tandem with the sister agencies –CVC and CBI – forms a powerful weapon to promote probity and good governance. What Audit finds out is a potential base for the other two agencies and the Courts to take to finality, as has been evidenced in the Audit Reports relating to Bofors Guns of 1989, 2G Telecom Scam of 2009, and Allocation of Coal Blocks of 2012, to mention a few.

Audit has a major role in promoting Good Governance as mandated by the Constitution, recognized by the Apex Court (Arvind Gupta PIL case) and also with its assiduously cultivated attributes of independence, objectivity, and professionalism. Audit employs the approaches of Compliance Audit, Financial Audit, and Performance Audit to find out deficiencies and suggests improvements in governance and accountability. It publishes annually approximately 150 Audit Reports for all layers of government touching every branch and every office to verify and certify to promote good governance.

Auditors are like ‘itinerant therapists’ who go round the offices looking into their books and reporting the findings, and suggesting measures to improve governance, like Emerson’s ‘traveling geologist’ who passing through an estate, shows good slate, or limestone or anthracite in the estate. He thought the geologist should be welcomed, instead of feeling ‘poverty in his presence’; similarly, audit should be welcomed instead of being looked at as unwanted interference. Auditors because of job requirements necessarily have to look and behave like - what Bertrand Russell said about happiness-seekers - billiard balls vis-a-vis auditees. A friendly audit is a contradiction in terms and may invite the ire and suspicion of superiors and behind-the-back scorn of clients. The objective for both - audit and executive - is better governance but the path is of dialectics. *Does an audit make the executive pusillanimous, and decision-averse?* Audit and well-formulated and well-reasoned decisions have common ground and common objectives. The end of audit is the right decision in the right manner on the right base, having each block properly set.

However, Audit carries the burden of promoting good governance, like Atlas. Every year we visit and discover to our dismay, like Sisyphus, the roll down of the accountability and governance stone which was carried up the year before. We work like Hercules to produce gargantuan Audit Reports to find that reports have remained not presented to the legislature, not discussed or partially discussed in Public Accounts Committees, etc. We have to tell the new entrants to audit in their induction classes to take a dose of Bhagavad Gita– ‘*karmanye vadhikaraste*’. etc. Yours is to audit and acting on that is for the Legislature. Of course, we have had our moments of glory in Audit Reports like Bofors, 2G, Allocation of Coal Blocks, Fodder Scam, etc., when it shook the conscience of the nation.

We may be faulted on assigning value, but when we are factorizing the future into assigning numbers, it cannot have formulaic precision; without values, an audit report will be more a literary paper than an audit report. In any case, while there can be many methods of assigning value, the audit point of unjustified decision-making has to be appreciated. There can be an annual notional small loss of value but it cannot be argued that it should not be projected to the life of the mine on the ground that it will throw up a 1.85 lakh crore figure, part of which would have gone to the government, in case auction had been resorted to. Audit reports and numbers are inseparable. Mr. Anil Swarup in *Not Just A Civil Servant* argues that if there is consensus in Inter-Ministerial Screening Committee meetings, no reason for the decision in the allotment is to be recorded. This rebuttal of audit shows indefensible arguments advanced against audit conclusions. Should there be a vituperative, bilious public criticism of Audit as in Bofors, 2G, and Coal block allocation reports? Mr. Vinod Rai who was the CAG at the time of the Coal Block Report in his book *Not Just an Accountant* feels the criticisms have been unfair, which have not appreciated the audit thrust.

Should Compliance Audit give audit space to Performance Audit on the ground that limited audit resources should be deployed for review of schemes audit? It is fashionable to jokes about narrow audit mentality to object TA bills etc. but as the Gita says “*Gahanna karma no gatih*” (difficult to track is the path of work); it is an impossible job to anticipate the way Chanakya’s public functionary will swallow what has reached the tip of his tongue. If it is one of the functions of Audit to prevent fraud and corruption and keep executive exuberance in prescribed limits, Audit has to keep the focus on this core function instead of having what Dr. B.P. Mathur says a platonic approach in his book, ‘*Government Accountability and Public Audit*’. It may be more appropriate to have a ‘Total Audit’ approach where there is a suitable mix of Performance Audit and Compliance audit, which, while keeping our focus on scheme audit, also comments on the major irregularities; as has been aptly stated by Tulsi Das in Ram Charit Manas - ‘*Bin bhay ho nahin priti*’ (without fear, no love rises).

To make audit more effective, should CAG be part of Parliament as in the UK as per the National Audit Act 1983? Should we have a new Audit Act bringing in some provisions of *Cour des Comptes* of France, Japan, New Zealand, etc. to empower audit with punitive quasi-judicial powers of the surcharge and to adjudicate in cases of loss of revenue? *Should audit extend to everywhere where government money is spent? But unfortunately, major areas of expenditure like PPP, local self-government, regulatory bodies have been kept out.* Wisdom, faithfulness, and economy of expenditure certification remain incomplete in the present arrangements of Audit. *Can Audit question policy?* The familiar tune of the executive is that Audit is crossing their *Lakshman Rekha* and encroaching on the executive domain of policymaking. Audit may not question policy; but if in policy formulation, appropriate diligence has not been done, e.g., financial implications, and if, in the policy implementation, deficiencies of the policy are found, it will obligate audit to raise the red flag.

CAG is the friend, philosopher, and guide of the Public Accounts Committee and the Committee on Public Undertakings, rendering all assistance in the discharge of their function of discussion of Audit Reports. PAC takes up for discussion selected audit paras for evidence, because of the paucity of time available to it to apportion for audit reports. Should it be made mandatory for the government to present Action Taken Reports on all audit paras to the PAC and the Parliament? Should it be provided that there should be a discussion of the ATR of the government in the Parliament with Chairman, PAC initiating the discussion as is the practice in the UK? *Should we interact with the public through the media to apprise them about audit*

*reports? Does audit have this obligation to the ultimate masters of democracy or stay behind the veils of bureaucratic anonymity? Will it be audit overreach or discharge of duty as per the constitution to contribute to the objective of good governance and enforcement of accountability?* Auditors are engaged, as Bhagwad Gita says in ‘*lokasangraha*’ (welfare of the people) through their audit efforts; their ‘labour of love’ must not be left unnoticed ‘by the people’; the ‘gems concealed’ with “burning rays’ in audit reports in labyrinthine ways of government must be seen by all stakeholders.

The perceived and pronounced gaps which stand in the way of audit realizing its realizable and desirable potential as an engine promoting governance and accountability have led to the necessity for amendments to the CAG DPC Act of 1971. The suggested amendments by the audit and others relate to timely submission of records to audit parties, timely tabling of audit reports, a collegium for choosing CAG on the lines of CVC and bring all PPP projects, Panchayati Raj institutions, and societies with government grants, under the audit jurisdiction of CAG, to mention a few. The need for these amendments is incontestable, but these are gathering dust in governmental shelves. Change for improvement while it may be external in the shape of amendments to the DPC Act, the audit organization has also to be inward-looking to meet the challenges of evolving times. While it should be uncompromising on the basic principle of functional specialization, it should gear itself up by way of technological up-gradation in both accounts and audit to match up to the executive thrusts of computerization and for timely delivery of audit efforts.

Audit as one of the pillars of the Constitution has been at its job since independence working with Herculean spirit to produce reports on the functioning of government, commenting on areas that needed to be looked into, to ensure financial prudence and probity. Audit has been profusely producing voluminous reports for all layers of government. Had the reports got the attention they deserve from authorities that be, the governmental functioning would have been at a much higher level of efficiency and rectitude, and there would not have been scams, big or small, which the country has witnessed. Audit works in the spirit of Bhagwad Gita - ‘*yathecchasi tatha kuru*’ (act as per your wish; the decision is yours) - audit has given its views, it is for the executive to act and implement. It is more often a case of audit proposes, executive disposes; but the stubborn horse has to decide to drink or not, though waterhole has been shown.

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### ***Constructive Critique is our Role, says CAG***

By Rajeev Jayaswal, Neeraj Chauhan  
Courtesy, *Hindustan Times* dt. 15<sup>th</sup> January 2021

CAG reports in the past have been questioned by critics, for instance its estimate that the 2007-2008 allocation of 2G spectrum had caused a notional loss to the exchequer of ₹1.76 lakh crore, and that the allotment of coal blocks had caused a similar loss of ₹1.86 lakh crore.

The Comptroller and Auditor General of India (CAG), **Shri Girish Chandra Murmu**, says the government auditor is adopting a policy of “*constructive criticism*” so that it can help the Centre and states in enhancing the quality of public services and improve management of national assets.



*“Purpose of the CAG audit is to point out shortcomings in execution of schemes so that the delivery mechanism could be improved further,”* Shri Murmu said. *“Our approach is constructive criticism. We also recommend how the system could be improved and made efficient because we are also expected to contribute in the national development.”*

The CAG has lately been taking help of domain experts from various institutions like the Indian Institutes of Technology (IITs), Indian Institutes of Management (IIMs) as well as ministries on technical matters so that its reports should not only point out errors in the implementation of policies and schemes but also suggest better alternatives, he said.

Even the government departments are increasingly becoming more transparent in providing unhindered access to their data repository to the CAG officials. “Thus, the auditor has access to a wealth of data related to social security programmes and tax administration such as Direct Benefit Transfer (DBT), *Ayushman Bharat*, Income-Tax and Goods and Services Tax (GST),” he said.

Shri C.A. Vijay Kumar Gupta, former central council Member of the Institute of Chartered Accountants of India (ICAI), said: *“The change in CAG’s approach is good as the role of the supreme auditor of the country is not to create controversies, but to provide a correct picture to the Parliament. Independence, objectivity, integrity, reliability, professional excellence, transparency and positive approach are the key values of CAG and it must also have a positive approach to the national development.”*

*“CAG is an independent constitutional body and it must have a constructive approach,”* he added.

Asked about the areas where the CAG is likely to expand its reach, Shri Murmu said the auditor was looking at several areas that are critical for development. but have not been audited properly. For example, he said, the CAG is working towards auditing even small Public Sector Units (PSUs), particularly state PSUs, that have annual revenue of less than Rs.500 crore. Typically, the CAG focuses on the commercial audit of PSUs that have a turnover in the range of Rs.500 crore to Rs.5,000 crore.

Shri Murmu added that the federal auditor also plans to help improve the accounting and auditing of local bodies in the states so that government schemes are implemented more efficiently.

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## **Report of IIPA-KRB Activities**

### **Implementation of the 74<sup>th</sup> Constitutional Amendment Act in Karnataka, based on the Performance Audit Report of the Comptroller and Auditor-General of India (CAG): Government of Karnataka: Report No. 2 of the year 2020**

**Thayyil Sethumadhavan, IA&AS (Rtd.)**

The Karnataka Regional Branch of the Indian Institute of Public Administration, in collaboration with the Political Science Collective, Karnataka, held a webinar on the *“Implementation of the 74<sup>th</sup> Constitutional Amendment in Karnataka, based on the*

***Performance Audit Report (PAR) of the Comptroller & Auditor-General of India (CAG) for the year 2020***, on 5<sup>th</sup> December, 2020. The objective of the audit was to ascertain whether the State Government had empowered the Urban Local Bodies (ULB) in the State through the creation of a robust institutional framework, as well as transfer of functions, funds and functionaries, as perceived in the 74<sup>th</sup>CAA.

The webinar participants were welcomed by **Dr. Ramesh**, Assistant Professor, Department of Political Science, Rani Chennamma University, Belagavi. In his opening remarks, **Mr. S. Ramanathan**, Chairman, IIPA (KRB) highlighted the importance of the webinar in the context of the problems faced by the ULBs in Karnataka in governance and in delivery of services to the citizens, aspirations of citizens, and the contemporary relevance of the CAG's report. He recalled that IIPA had in the past also conducted seminars to discuss CAG's reports for better awareness, and the happy association with *Janaagraha* which takes keen interest in urban affairs, especially in civic matters in Bengaluru, and which was a partner with CAG for the Performance Audit.

**Ms. Nivedita**, Principal Accountant-General, Karnataka clarified the objectives of the Performance Audit, and the rationale for carrying it out. It is well known that the actual status of decentralization in the urban sector is far from what was envisaged in the Constitution. While there are several studies on the state of decentralization in respect of Rural Urban Bodies, there are hardly any studies pertaining to the urban sector. There is a critical need to understand the issues in the urban sector in view of the fact that urbanization is progressing at a rapid pace. Accordingly, four objectives were identified i.e., whether the ULBs are functioning in a strong institutional framework, the extent of autonomy that they enjoy in the implementation of functions assigned to them, their financial position and the availability of appropriate manpower in adequate number. Accordingly, the audit focused on identifying the underlying causes for the malfunctioning of the ULBs. Given the fact that Bengaluru has an active citizenry and a number of committed NGOs working in the urban space, she expressed the hope that it will be the pioneer in the field of urban reforms. She also highlighted the fact that the audit done in Karnataka is a precursor to the audit that will be done by the other states.

**Mr. Srinivas Alavilli**, Head, Civic Participation and **Ms. V.R. Vachana**, Associate Manager, *Janaagraha*, presented the major findings and recommendations of the Report. They pointed out that out of 18 functions to be transferred to ULBs under CAA, 17 functions were transferred, of which full jurisdiction had been given in respect of only three functions. In respect of two functions, ULBs had no role at all; ULBs were only implementing agencies in respect of three functions, and had minimal role in eight other functions. Further, of the total 273 ULBs in the State, councils were formed only in 63 ULBs; though elections were held in 187 ULBs, councils were not formed due to court cases; and in 23 ULBs, elections though due, were not conducted. Hence, Administrators appointed by the Government were managing the affairs of these 210 ULBs. The terms of Mayors and Presidents were far too short for ensuring continuity and effectiveness. Failure to form Ward Committees and to involve ULBs in planning were inconsistent with the process of decentralization. State Finance Commissions (SFCs) were either constituted late or their recommendations were not implemented in time, impacting the functioning of the ULBs. The parastatals controlled major civic functions such as urban/town planning, regulation of land use, water supply & sanitation, and slum development. These parastatals were controlled by the Government and

have their own governing bodies which do not include elected representatives of ULBs. Budgeting and finance in ULBs were deficient coupled with limitations over financial powers, and human resources were totally inadequate. The State Government had overriding powers over ULBs in virtually all matters. The Report contains several recommendations to strengthen ULBs which were highlighted in the presentation.

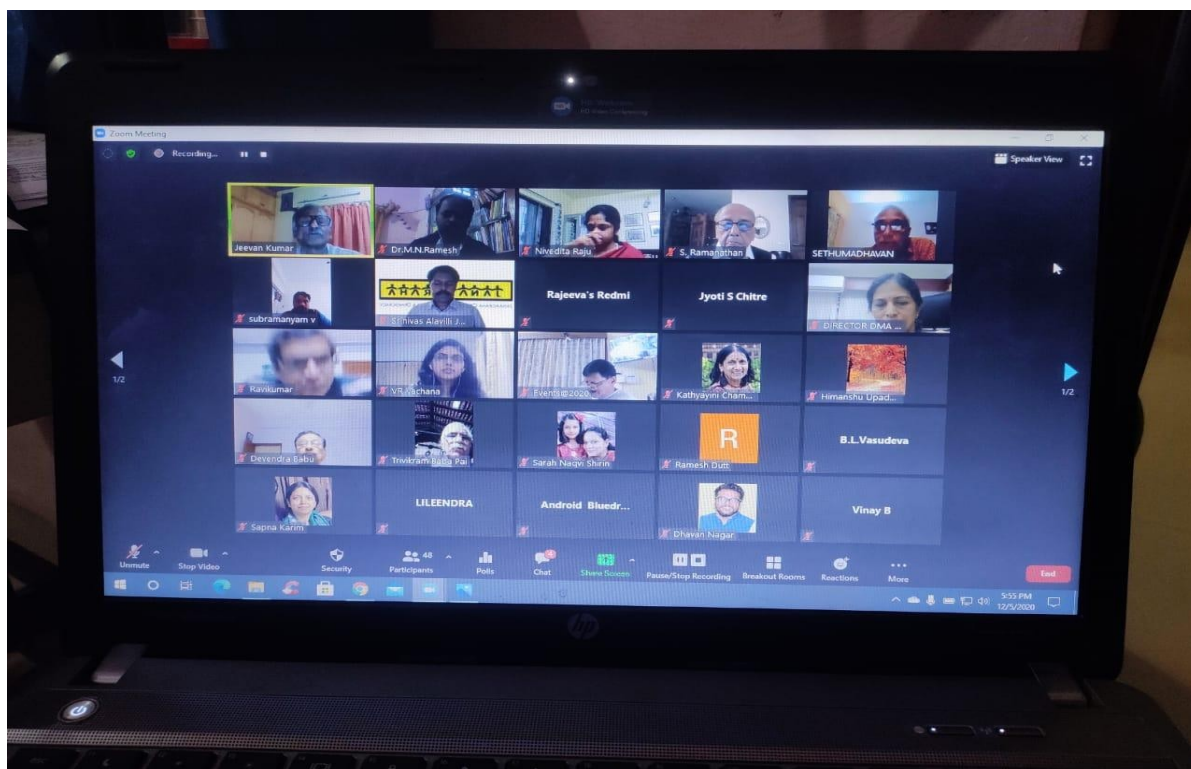
The presentation was followed by a **Panel Discussion**. Panelists included **Dr. A. Ravindra**, IAS (Rtd.), (former Chief Secretary and Advisor to the Chief Minister, Urban Affairs); **Ms. Kathyayani Chamaraj** (Executive Trustee, CIVIC and social activist), **Dr. Himanshu Upadhyaya** (Asst. Professor, Azim Premji University); and **Ms. Cauvery**, IAS, Director of Municipal Administration, Government of Karnataka. The panelists, while agreeing with the findings and recommendations of the CAG, observed that although the Government had complied with the CAA in terms of legislation, it had not followed it in spirit. Dr. Ravindra felt that it was time for the Central Government to review the CAA itself in the context of the existing situation in the States, and after realistic assessment of the ground reality. He also felt that a comparative analysis of the achievements in various States by the CAG will be useful for better evaluation. **Ms. Kathyayani Chamaraj**, in her presentation, brought to notice the gaps in achievements in the implementation of CAA in the State with reference to the CAG's report and with particular reference to BBMP, and focused on how the proposed BBMP Bill under consideration fell short of essential requirements to ensure a truly decentralized democratic ULB. **Prof. Himanshu Upadhyaya** emphasized the prominent role of CAG's Reports in ensuring public accountability and the need to ensure strict time limits for their presentation in the Legislatures and making them available in public domain. Ms. Cauvery agreed that CAG's PAR is an eye-opener, and expressed the need for devolving additional functions to ULBs in consonance with their financial capability to manage and expend funds. Her office will follow up the recommendations in the Report in the best practical and possible manner, she said. Responding to a query, the panelists supported the idea of mooting Social Audits of important programmes and projects of ULBs.

**Mr. T. Sethumadhavan**, IA&AS (Rtd.) who mentored the webinar, summed up that the findings and recommendations in the PAR reflected an outcome audit; that they could be classified into short and long-term issues and those which were implementable at the government level; and those which would require decisions at the political level through legislative intervention, requiring longer term horizon. Dr. D. Jeevan Kumar, Secretary, IIPA-KRB thanked the Political Science Collective for making available its resources for the webinar and all the speakers and panelists for their active participation.

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**Below:**

A pic of some of the panelists and participants at the webinar.



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## Book Review

D. Jeevan Kumar

### **GOVERNMENT AUDIT AND GOVERNANCE**

Edited by

**Ajit Patnaik, Nandini Y. Kapdi and M. Naveen Kumar**

Institute of Public Auditors of India

New Delhi, (No Date)

Pp. 267. Price: Rs.700

The book under review is a sequel to a seminar on '*Public Audit and Governance*' which was held in August 2019, under the auspices of the Institute of Public Auditors of India. The year 2019 is a landmark in Indian Public Audit; it marks the completion of a century since statutory audit was established by the British Raj, way back in 1919.

The book is divided into four sections dealing with (1) Audit and Governance; (2) Public Finance and Governance; (3) Sectoral Audit and Governance; and (4) A Look at Reforms. There are 20 contributions, in all, penned by competent experts, well-versed in the intricacies of audit and its operative mechanisms.

In a lengthy Preface, the Editor-in-Chief, **Ajit Patnaik** presents an overview of the book, and prepares the reader for what is to follow. According to him, Audit is a rational and intellectual exercise, engaged in promoting good governance and accountability, as enjoined

by the Constitution. Audit employs the techniques of Compliance Audit, Financial Audit, and Performance Audit to find out deficiencies; it also suggests improvements in governance and accountability. Although the CAG has generally acted under the strict self-imposed bureaucratic ethics of anonymity, some of its reports did hit the headlines, as in the Audit Reports relating to Bofors Guns of 1989, 2G Telecom Scam of 2009, and Allocation of Coal Blocks of 2012, to mention a few, all of which did, indeed shake the conscience of the nation.

Consequently, and even otherwise, several questions lurking in the background continue to be in the public domain. *Can audit question policy? Does audit make the executive pusillanimous, and decision-averse? Should the auditor interact with the public through the media to apprise them about audit reports? Does audit have this obligation to the ultimate masters of democracy, or stay behind the veils of bureaucratic anonymity? Will it be audit overreach or discharge of duty as per the Constitution, to contribute to the objectives of good governance and enforcement of accountability?* All these, and several other questions, have been raised and discussed within the covers of this very informative and enlightening book.

**Section I**, dealing with ‘**Audit and Governance**’, has contributions by S.P. Jakhanwal, T. Sethumadhavan, Pranab Mukhopadhyay, R.N. Ghosh, Parimal Brahma, Sheela Reddy, T.N. Thakur and K.P. Shashidharan. The second section of the book deals with **Public Finance and Governance**. There are three articles here by B.P. Mathur, Subhash Chandra Pandey and Parag Prakash. The third section of the book deals with **Sectoral Audit and Governance**. There are contributions here by Dharendra Krishna, Meenakshi Gupta, Sangita Choure, Ajit Patnaik and Nandini Kapdi. **Section IV** of the publication takes **A Look at Reforms**. The contributors here are Mukesh Arya, Govind Bhattacharjee, Sudanshu Mohanty, Himanshu Upadhyaya and Abhishek Punetha.

The book is educative and informative, and would be invaluable to teachers and students of Indian Government and Politics, Public and Financial Administration, and Public Policy, and more particularly, to all those engaged in Policy Formulation and Policy Implementation, apart from audit personnel themselves. Most of the articles in the book carry a set of recommendations, for improving the present eco-system of Audit and Governance, which leaves much to be desired. As a follow-up of the 2019 seminar and the current publication, the Institute of Public Auditors of India could think of bringing out a set of recommendations, as a separate volume, and open up for public debate and discussion, the much-needed area of reform.

One area where the book falls short is in terms of professional publishing. An academic audit of this book on audit has given scope for the following observations: Articles are not prefaced by Abstracts; there is no uniform system of Footnotes and References; there is no Glossary of Terms which figure in the volume; there is no Index; and there is no ISSN number. The year of publication is not mentioned. These lapses may appear to be minor in nature, but professional publishers do ensure that books do not fall short on these counts. The Institute of Public Auditors of India may wish to look into these matters too, in future publications.

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### **Change of Guard in Karnataka**

Senior IAS officer **Shri P. Ravi Kumar** has been appointed as Karnataka’s 38th **Chief Secretary**. He replaced Shri T.M. Vijay Bhaskar superannuated on 31<sup>st</sup> December, 2020. The

Executive Committee of the Karnataka Regional Branch of the Indian Institute of Public Administration conveys its greetings and good wishes to Shri Ravi Kumar.



**INDIAN INSTITUTE OF PUBLIC ADMINISTRATION  
Karnataka Regional Branch**

**Office-Bearers and Executive Committee Members for 2021-2022**  
(From January 2021 to December 2022)

The following members were unanimously re-elected as Office Bearers and Members of the Executive Committee of the Branch at the Extra-Ordinary General Meeting of the Branch held on 9<sup>th</sup> January 2021 in virtual mode over Zoom:

**Office-Bearers**

1. **Chairman:** Shri. S. Ramanathan, IAS (Retd.)
2. **Vice-Chairman:** Shri. S. V. Ranganath, IAS (Retd.)
3. **Secretary:** Dr. D. Jeevan Kumar
4. **Treasurer:** Prof. R. Madhwaraj

**Executive Committee Members**

1. Dr. A. Ravindra, IAS (Retd.)

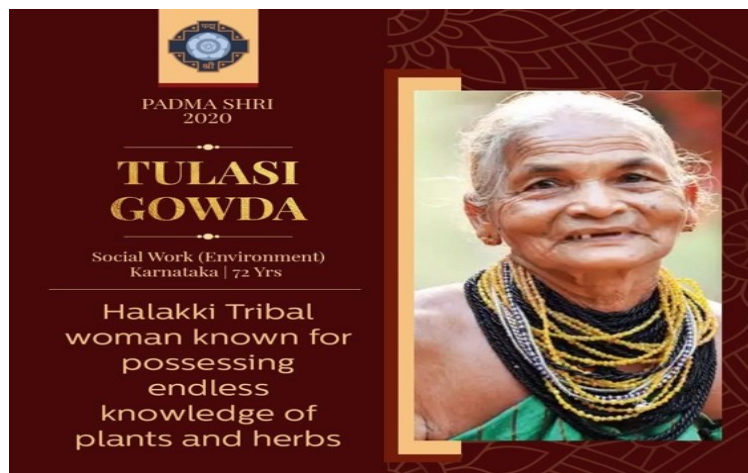
2. Shri. V. Balasubramanian, IAS (Retd.)
3. Dr. S. S. Meenakshisundaram, IAS (Retd.)
4. Shri. A. V. Gokak, IAS (Retd.)
5. Shri. N. B. Bhat, IPS (Retd.)
6. Shri. T. Sethumadhavan, IA&AS (Retd.)

**Co-option as Special Invitees to EC Meetings**

1. Shri. M. R. Sreenivasa Murthy, IAS (Retd.)
2. Shri. G. Gurucharan, IAS (Retd.)
3. Ms. Uma Mahadevan, IAS
4. Dr. Priyanca Mathur Velath

**Gender Matters**

Dr. Priyanca Mathur Velath



Tulasi Gowda, also known as ‘*the Encyclopedia of the Forest*’ was awarded the 2020 Padma Shri Award for her invaluable environmental contribution of planting thousands of plants in the Karnataka forests in South India. Also known as the ‘*Tree Goddess*’, she belongs to the Halakki tribe. She started working at a very young age as a day labourer for the Karnataka Forest

Department, to take care of the seeds in the Agasur seedbed. She became an expert in the regeneration of native plants and has a lifetime of experience in being able to identify the Mother Tree of each species in any location in the forest. A role model to the entire nation, Tulasi wants to pass on her knowledge to the younger generation, so that they can learn how to preserve their natural habitat and environment. A timely award in the era of environmental degradation and anthropogenic Climate Change.

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**IIPA-KRB Virtual Newsletter**

ವಾಸ್ತವ ಸುದ್ದಿಪತ್ರ

**Editorial Board**

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Dr. Priyanca Mathur Velath

***Editor***

Dr. D. Jeevan Kumar

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Feedback/Contributions/Ideas/Book Reviews may kindly be mailed to:  
[iipakrb.bangalore@gmail.com](mailto:iipakrb.bangalore@gmail.com) with a copy to [jeeves0607@yahoo.com](mailto:jeeves0607@yahoo.com)