Digital Governance & Technology Leaders

Digital governance and technology leaders play a pivotal role in designing, implementing, and securing the digital systems that underpin public administration, financial management, service delivery, and citizen engagement. Through its audits, the CAG identifies weaknesses in system controls, data integrity, interoperability, automation, and technology governance that can affect operational efficiency, financial accountability, and public trust. The examples presented in this section demonstrate how audit interventions contributed to stronger ERP controls, improved beneficiary verification systems, enhanced direct benefit transfer integrity, greater system integration and interoperability, and more reliable digital public finance management. These outcomes highlight the role of audit in supporting technology leaders to build secure, transparent, efficient, and data-driven digital governance ecosystems that improve service delivery and strengthen accountability.

ERP-Based Financial Control Systems, West Bengal Housing Infrastructure Development Corporation (WBHIDCO)

A review of contractor payments processed through the ERP platform SAP and Suite 4 – High Performance Analytic Appliance (S/4HANA) by West Bengal Housing Infrastructure Development Corporation Ltd revealed critical gaps (deficiencies in the validation logic, failure of preventive system checks, and inadequate quality assurance processes during ERP implementation) in system controls. Following the intimation by the office of the Principal Accountant General (Audit-I) West Bengal, an enquiry was conducted, and the developer of the ERP system submitted a report. Corrective action resulted in full recovery of ₹3 crore that had been erroneously paid to vendors, preventing financial loss to WBHIDCO.

SDGs

Direct Benefit Transfer Integrity (COVID Ex-gratia), Government of Maharashtra

Revenue and Forest Department (Relief and Rehabilitation), Government of Maharashtra, approved ex-gratia assistance of ₹50,000 from the State Disaster Relief Fund (SDRF) to the next of kin of individuals who died due to COVID-19. The office of the Principal Accountant General (Audit I) Maharashtra, Mumbai, during the audit, identified duplicate beneficiary records leading to excess payments of ₹3.84 crore. Responding to the audit

findings, the modification of the DBT system significantly improved its robustness in preventing duplicate and fraudulent applications for ex-gratia assistance. The Government also recovered ₹92.50 lakh as of December 2024.

SDGs

API Integration of FinAssam and Voucher Level Computerisation System (VLCS), Assam

Delays in consolidation of accounts were observed due to lack of integration between the Integrated Financial Management Information System (FinAssam) and the Voucher Level Computerisation System (VLCS).

Based on intervention by the office of the Principal Accountant General (A&E), Assam, the systems were integrated to enable seamless data flow between treasury and accounting systems. The issue of integration and interoperability of public finance IT systems was also deliberated during the 2nd Conference of State Finance Secretaries, where States were encouraged to integrate their IFMS with the VLCS. As part of this initiative, the Government of Assam introduced a first-of-its kind Application Programming Interface (API) integration between FinAssam and the VLCS of the Principal Accountant General (A&E). This resulted in improved timeliness in compilation of accounts, reduction in manual intervention, and enhanced accuracy in financial reporting.

SDGs

Improved beneficiary identification, Krushak Assistance for Livelihood and Income Augmentation Scheme, Government of Odisha

During implementation of the scheme, the Department identified 9.76 lakh ineligible beneficiaries. The office of Accountant General (Audit II), Odisha, during the audit, further identified another 2.96 lakh beneficiaries, making 12.72 lakh ineligible beneficiaries to whom ₹782.26 crore had been transferred.

Audit also found ₹107.64 crore released to 1.28 lakh wrong account holders. Audit recommended the Government to develop a robust mechanism, develop the IT application, incorporate adequate IT controls etc. Integration of land data from Krushak Odisha with CM-KISAN and PM-KISAN improved beneficiary identification and payment integrity.

SDGs

Installation of automatic number plate recognition technology to curb the shortfall in number of vehicles put to emission testing, New Delhi

Context: As per the Central Motor Vehicles Rules, 1989, every motor vehicle is required to possess a valid Pollution Under Control Certificate after the expiry of one year from the date of first registration. Audit examination by the office of the Principal Accountant General (Audit), Delhi revealed that during the period from 2018-19 to 2020-21, only 46 to 63 per cent of Delhi registered vehicles due for Pollution Under Control checks were actually tested in Delhi. Although Pollution Under Control Centres were networked with the VAHAN portal, audit found that no automated mechanism had been established to generate challans for vehicles operating without a valid certificate. Additionally, there was no disincentive mechanism to discourage delayed renewal of Pollution Under Control Certificates beyond the prescribed validity period. These gaps weakened the effectiveness of enforcement and diluted the regulatory framework for vehicular emission control.

Recommendation: Audit underscored the need to strengthen enforcement of Pollution Under Control requirements through the use of technology-driven solutions. It emphasised the importance of establishing automated detection and penalty mechanisms for non-compliant vehicles and enhancing public awareness to improve timely compliance, with the objective of reducing vehicular emissions and supporting air quality management efforts.

Outcome: In response to the audit findings, the department adopted digital interventions to improve enforcement and compliance. Automatic Number Plate Recognition technology was installed at approximately 500 strategic locations, including fuel stations and major Inter-State Bus Terminals, enabling real-time identification of vehicles operating without a valid Pollution Under Control Certificate. The system facilitates automatic generation of challans for noncompliant vehicles, strengthening deterrence against violations. In addition, automated Short Message Service alerts are being issued to vehicle owners one month, fifteen days, seven days before expiry, and on the date of expiry of the Pollution Under Control Certificate. These measures are expected to

improve compliance through enhanced awareness and automated enforcement, thereby strengthening regulatory oversight and contributing to improved control of vehicular air pollution.

SDGs