



Profile of the
Indian Civil Accounts Service

VISION

As a professional accounting organization, our vision is to strengthen governance through excellence in public financial management.



MISSION

- Administer an effective, credible and responsive system for budgeting, payment and accounting.
- Provide a world class, robust government-wide integrated financial information system.
- Develop new paradigms of internal audit for improved transparency and accountability.
- Leverage information and communication technology to achieve intended goals.
- Promote professional integrity through a dedicated workforce committed to service ethos.

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2011



Indian Civil Accounts Organisation performs a key role in delivery of financial management services for the Government of India. The organisation provides payment services, supports the tax collection system, performs government-wide accounting, financial reporting functions and carries out internal audit in civil ministries of the Union Government. Controller General of Accounts (CGA) in Ministry of Finance heads the organisation and is responsible for administering this system.

The organisation has been at the forefront in leveraging information technology for delivery of these services in consonance with the constantly changing technological environment and increasing ICT penetration in the country. The goal is to provide reliable information that brings transparency in the use and reporting of public funds through an integrated government-wide financial information system. Accordingly the focus has been on providing client oriented, integrated applications that aim at achieving operational efficiency across streams of public financial management system.

Mandate

Controller General of Accounts derives his mandate from Article 150 of the Constitution. This statutory mandate as incorporated in the Allocation of Business Rules brings out the duties and responsibilities of CGA which includes the following:

- Prescribe general principles, systems and form of Government accounts relating to the Union and States
- Frame and revise procedures, rules and manuals for accounting of receipts and payments.
- Oversee maintenance of adequate standards of accounting in Civil Ministries.
- Prepare monthly and annual accounts along with periodic reviews of expenditure, revenues, borrowings and deficit.
- Monitor and reconcile cash balances of the Union Government with Reserve Bank of India and oversee the banking arrangements for government transactions.
- Coordinate and assist introduction of management accounting system in Civil Ministries
- Develop and implement policies and programs for augmentation of human resources in line with the changing needs of the organisation.

Organisational Structure

Indian Civil Accounts Organisation is headed by Controller General of Accounts (CGA) in the Department of Expenditure, Ministry of Finance. CGA as the central accounting and reporting agency for Government of India is assisted by officers of the Indian Civil Accounts Service who have expertise in different aspects of public financial management. This accounts service, which is a part of the premier civil services currently, has a sanctioned strength of 226 officers who are supported by around 9,000 employees professionally qualified in government accounting system.

As per the departmentalized accounting arrangements in government, operational responsibility for accounting, reporting and internal audit function in civil ministries is with the officers of this organisation. These units are headed by the Principal Chief Controller of Accounts (Pr.CCA), Chief Controller of Accounts (CCA) or a Controller of Accounts (CA) in the respective ministries. Under the overall supervision of CGA, they assist the Secretary of the Ministry who is the chief accounting authority in the ministry. The Pr. CCAs / CCAs / CAs discharge their duties and responsibilities through the Principal Accounts Office (Pr. AO) at Ministry's headquarters and Pay & Accounts Offices (PAOs) at the field formation level. There are currently 358 PAOs located at 87 stations across the country.

Duties and Responsibilities

Principles, forms and standards of accounting

On behalf of the President of India, CGA lays down the principles of government accounting, prescribes the form in which accounts are to be maintained and formulates the procedure for recording and consolidating the accounts of Union and State Governments with the objective of encouraging standardization and transparency in government accounts.

Receipts and Payments

Indian Civil Accounts Organisation administers the receipts and payment functions for more than 90% Government of India's budget through a nation-wide network of 28,000 branches of twenty-nine scheduled commercial banks who act as agents of Reserve Bank of India, which is the banker to the Union Government.

The organisation performs accounting and reporting functions for the entire tax and non-tax receipts of the Union Government. It has accordingly developed and implemented policies to ensure timeliness and accuracy in remittance and reporting of government receipts, from its initial deposit to its final credit in the government account. As part of the country's on-line tax information network, the organisation promotes electronic reporting and collection of direct and indirect taxes. The system relies on single source data entry for tax payment at the collecting bank branch, a national database of tax payers and electronic transfer of funds to government account. The accounting units of the organisation, through their customized

IT applications, use this information for accounting, reporting and reconciliation purposes.

In addition, the organisation is responsible for payment functions in civil ministries. The exchequer control is exercised through the field level Pay and Account Offices (PAO) of different ministries who ensure compliance to budgetary appropriations made by the parliament. Payment, accounting and reporting functions in civil ministries have been e-enabled by the organization through the Computerised Accounting System (COMPACT). This application covers the entire business process of PAOs including receipts, provident fund and pension processing. It provides financial integrity to the process and has the necessary quality and security certification. COMPACT has been successfully implemented in over 400 Pay and Accounts Offices (PAOs) of Civil and some non-Civil Ministries of the Government of India. In addition, it is also being used by some sub-national governments.

Pension

The organisation is responsible for disbursement and accounting of pension payments to Government employees of all Civil Ministries as well as former Presidents/Vice-Presidents, retired Supreme Court/High Court Judges, Members of Parliament, All India Service Officers and Freedom Fighters.

The Central Pension Accounting Office (CPAO) was established with the objective of enhancing service delivery for pensioners through simplification and standardization of the pension disbursement process. It is the central budgeting and accounting unit for civil pensions providing a single point interface between the government, banks and pensioners. The pension payments as processed and authorized by the pay and accounting units across Ministries are channelized through this central office for onward transmission to the concerned bank branch for disbursement to

pensioners. CPAO currently serves 900,000 pensioners across the country through a payment network of 40,000 bank branches. The CPAO strives to streamline pension disbursement, ensure timely credit of pension payment, arrears of pension/dearness relief and address the grievances of these pensioners.

CPAO has been able to leverage information technology and recent developments in the banking environment to institute a pension payment system that is accurate, efficient and transparent. The monitoring, tracking and processing of pension cases have been e-enabled and the CPAO website <http://cpao.nic.in/> hosts these G2C and G2G interfaces. An e-Revision initiative has recently been rolled out in civil ministries for the expeditious periodic revision of pension cases and is expected to provide relief to 500,000 pensioners.

CPAO remains committed to a seamless integration of the business process flow for pension payment to maximize pensioner convenience and satisfaction.

Accounting and Financial Reporting

CGA as head of the organisation is responsible for operating and overseeing the government's central accounting and reporting system. The office of CGA has instituted a credible financial reporting system that is critical for enhancing transparency and accountability in the management of public resources and is consistent with the statutory obligations on financial reporting and proactive disclosure.

CGA consolidates the monthly and annual accounts of the Union Government on the basis of accounts submitted by Ministries and Departments. Annual accounts are consolidated on a provisional basis within two months of the close of the financial year for managerial purposes. The annual audited accounts comprising of

the Appropriation Accounts and Finance Accounts are prepared and published by CGA and are submitted to the Parliament within nine months of the close of the financial year. In addition a meaningful analysis of the annual accounts is prepared in the form of a document “Accounts at a Glance” for wider dissemination.

CGA also prepares a monthly review of Union Government’s receipts and expenditure analyzing key fiscal performance indicators for submission to the Finance Minister. These reviews have been widely appreciated for their scope and content. Financial reports prepared by CGA are available in the public domain through CGA’s website www.cga.gov.in as per the IMF’s Special Data Dissemination Standards and are used by the private and public sector to monitor the government’s financial status. Similar reports are prepared for individual ministries by the Pr.CCAs / CCAs / CAs and placed on the website of respective ministries. In addition they also prepare customized financial reports for ministries as per their strategic requirements on internal debt, loans and grants to sub-national governments.

The organisation has developed a web-based integrated system for accounting and reporting purposes that has received national and international recognition. E-Lekha is the Core Financial Information System for Government of India that has been operational since 2005. It is built around the COMPACT application running at PAOs of the civil ministries and other stand alone systems of Ministries of Defense, Posts, Railways and Telecommunications and other offline interfaces. The system provides for the integration of daily, monthly and annual accounting processes for real time value added reporting and financial monitoring for the Union Government.

Central Plan Scheme Monitoring System

The Central Plan Scheme Monitoring System (CPSMS) is one of the recent initiatives of this organisation and CGA is responsible for its design and implementation. CPSMS has been envisaged as a comprehensive expenditure tracking system for central plans schemes that, apart from enhancing transparency and accountability, will have far reaching implications for public financial management in the country. The Scheme aims at establishing an integrated financial information system for over 1000 plan schemes being administered by different ministries of the central government. It involves bringing together thousands of sub-national, local implementing agencies, individual beneficiaries and bank branches that have till now, not been amenable to a central monitoring system.

The organisation has been able to leverage its core capability and experience in developing a web-enabled application that enables single point registration of implementing agencies, monitoring of fund flow from the central government to the implementing agencies, reconciliation with accounting data and generation of customized reports for the program managers on sources and use of funds. The process of implementation has been completed at the Union government level and the application is able to report on disbursements to regional and local governments under individual plan schemes on a real time basis. These reports are now available on the CPSMS website <http://cpsms.nic.in> and have been widely appreciated by the program managers.

The scope of CPSMS is being extended, technical feasibility studies have been carried out to understand the fund flow up to the grass root level and expenditure reporting has been introduced for selected schemes. CPSMS and Core Banking System interface has also been developed for interchange of data and is progressively being deployed for agency banks to enable tracking of plan funds on a real time basis.

Internal Audit

The organisation is responsible for monitoring of financial performance and effectiveness of various programs, schemes and activities of the civil ministries through its Internal Audit Units in the respective ministries.

The Centre of Excellence for Internal Audit in the office of CGA has evolved as a resource centre and advises the internal audit wings of line Ministries on different aspects of risk and performance based audit. Accordingly it has developed a risk based control framework as a guide for internal audit in ministries. Its capacity building program focuses on dissemination of audit tools and techniques within the organisation.

The CGA office also has a Quality Assurance Wing that is entrusted with the responsibility of developing and reviewing service delivery standards for accounting units of the ministries. The wing is also responsible for the implementation of 'Sevottam', Government of India's flagship quality management framework for delivery of citizen-centric services, within the organisation.



Human Resource Management

Personnel

The organisation has a qualified, experienced and committed work force that has set high performance standards in their field. Their expertise which runs across different aspects of public financial management has been widely acknowledged by the government.

Officers of the organisation have diverse public sector experience having served the central, sub-national governments, autonomous bodies and government corporations. In addition the organisation has been regularly deputing officers on assignments with the World Bank, International Monetary Fund and United Nations organisations. Several of our officers have served these international organisations in Africa, Asia, Europe and North America. These officers have been involved with budget process, cash management, treasury operations, internal audit and setting up of information management systems in post-conflict and developing countries.

CGA manages the pool of officers of Indian Civil Accounts Service (ICAS) and the entire accounts personnel working in the civil ministries and is responsible for the human resource management for the organisation. This includes their recruitment, transfers, promotions and capacity building. CGA through its regular skill augmentation programs and specially designed examination system has been actively engaged with professional development of its work force.

Capacity development

The organisation is committed to developing a well trained, high performing and diversified workforce that effectively meets its changing requirements and priorities. The Institute of Government Accounts and Finance (INGAF) as the training arm of CGA specializes in professional training in modern, technology enabled government accounting and financial systems and provides a window to the world of best learning practices. Its diversified curriculum focuses on cutting edge capacity building in a gamut of areas relating to public policy and financial management - producing transformative and empowering outcomes.

INGAF (www.ingaf.in) manages a comprehensive capacity building program for employees of the organisation at all levels. It conducts training at the entry level and mid-career





programs in specific job skill areas for middle and senior management reaching out to more than 7,000 participants every year. Its programs are academically rigorous, designed to catalyze change and stimulate active peer learning. The core learning programs of INGAF focus on diverse areas of public policy, financial management, government accounting, cash and treasury management, fiscal and budgetary reforms, pension and pensionary reforms, internal audit, procurement, project management, administrative procedures, leadership and change management - using interactive multimedia and advanced IT tools.

The institute also conducts training to upgrade the operational skills of personnel of central and state government departments, public sector undertakings and banks extending its outreach to areas as remote as the North East, Lakshadweep and Andaman & Nicobar Islands.

INGAF's main campus located in the heart of the national capital of Delhi, is picturesque and bright, and offers a stimulating environment with its state-of-the-art learning facilities. In addition to its regional centers at Chennai, Kolkata and Mumbai INGAF has also opened another centre at Aizawl, Mizoram to meet the public financial management and information technology related requirements of the entire north-eastern region.

International Cooperation

The Indian Civil Accounts Organisation has played a crucial role in promoting regional and international cooperation on emergent issues relating to financial management in the public sector.

The Association of Government Accounts Organisation of Asia (AGAOA) was formed in 2004. India is one of the founding members of AGAOA along with Bangladesh, Bhutan, Maldives, Myanmar, Pakistan and Sri Lanka. As a regional organisation of accounting bodies, AGAOA (www.agaoa.org) promotes professional understanding and technical cooperation among member institutions through exchange of ideas and experiences to ensure transparency, accountability and good governance.

The annual AGAOA assembly and its experience sharing programs provide an ideal platform for meeting these objectives. The Association also has a public policy journal that was launched in Dhaka, Bangladesh in 2010. INGAF serves as the secretariat of AGAOA and has been designated as one of the regional Resource & Training Center for its member countries. It is the implementing agency for the IDF Grant received by AGAOA for development of a framework for internal control, internal audit and related capacity development.

CGA is also closely associated with the International Consortium on Government Financial Management (ICGFM) and has been part of its Board of Directors.

In addition CGA, through INGAF, executes programs as part of Government of India's commitment to international development cooperation and capacity building in developing and neighbouring SAARC countries. These capacity development

programs are organised as part of the Indian Technical and Economic Cooperation (ITEC) and Special Commonwealth Assistance for Africa (SCAAP) of Ministry of External Affairs and other bilateral / multilateral programs. INGAF's international, multi-cultural environment and global perspectives on a gamut of issues related to public financial management, internal audit, leadership and change management have attracted participation from more than hundred member countries.

INGAFs' international footprint extends to countries in Asia, Africa, East Europe (including former USSR), Central and Latin America, Caribbean and Pacific regions.



E-governance initiatives

The organisation has designed and implemented IT based solutions for accounting and reporting requirements of Union Government. It has also developed customized applications as per the specific functional requirements of the line ministries. The notable ones are:

- COMPACT: transaction processing application that covers the entire business process for pay and accounting units.
- E-Lekha: comprehensive government-wide financial information system for real time reporting
- CPSMS: integrated financial information system for central plan schemes
- IMAS (Integrated Mission Accounting Software) for embassies and missions under Ministry of External Affairs
- Revenue Accounting Management Software (RAMS) for accounting and reporting of direct tax collections.
- Electronic Accounting System in Central Excise and Service Tax (EASIEST) and Electronic Accounting Solution for e-Receipts (EASeR) for accounting and reporting of indirect taxes.
- Pension Authorization Retrieval Accounting System (PARAS) for central processing of post-retirement social security payments for government employees
- Internal Debt Monitoring Software (IDMS) and an application for monitoring of Loans, Grants and Investments (LGI) for Ministry of Finance.

Future Initiatives

- Electronic payment system: pilot has been successfully completed in the Ministry of Agriculture, roll out is planned in other ministries after necessary functional and security certification has been obtained.
- MPLS VPN: intra-CGA network currently underway for over 400 PAO, 50 Principal Accounts Offices of Civil Ministries and National Data Centre at Hyderabad.
- E-Samarth: extension of the web-based utility for management of General Provident Fund Account of government employees running successfully in Ministry of Home Affairs.



Recognition

E-Lekha & COMPACT

- Best IT Implementation of the year 2007 by PCQuest Magazine, India
- Silver Icon Award, 2008, National e-Governance Award, Delhi
- Government Technology Awards 2009, FutureGov, Singapore

CPSMS

- Microsoft Developer Innovation & Excellence Award 2009, New York
- G2G Award, eGov, Hyderabad

Significant Achievements

- *Payment Services:* effective and efficient electronic systems that deliver dependable and accurate payment services. This has significantly reduced transaction costs and processing times of payments for vendors and government employees including their post-retirement social security payments.
- *Tax collection:* monitoring system that has enabled comprehensive tracking, reliable reporting of tax payments and has eliminated delays in remittance of taxes to government accounts.
- *Accounting:* significant reduction in the timelines for preparation and submission of daily, monthly and annual accounts for the Union Government.
- *Reporting:* comprehensive government-wide financial reporting systems that provide credible and timely information for decision making in government.
- *Disclosure:* promoting transparency and hence accountability in the management of public funds, that goes well beyond the statutory



Controller General of Accounts
Department of Expenditure
Ministry of Finance
Government of India

'C' Wing, 7th Floor, Lok Nayak Bhawan
New Delhi - 110003
CGA's Secretariat Phone # 011-24617758
www.cgaindia.org/www.cga.nic.in