

## **CAG seeks powers to audit Sebi, Trai**

Government auditor **CAG** is seeking to widen the scope of its powers to audit the performance of regulators such as Sebi, **Trai** and Irda as part of the new legislation that will replace the CAG Act, 1971.

The proposed CAG Bill, now under consideration of the finance ministry, is likely to be tabled in Parliament in its next session.

"CAG is looking into the books of regulators like Trai, **Sebi** and Irda, but now wants to audit their performance also," official sources said.

The Comptroller and Auditor General of India (CAG) has already submitted a draft Bill to the finance ministry for replacing the CAG Act. The new law is aimed at significantly expanding the scope of the CAG's audit responsibilities.

"We are looking at auditing the regulators. We have asked in the draft Bill to replace the CAG Act of 1971 to allow audit of the financial (statements) and performance of regulators and PPPs. We are hoping that the Bill would be tabled in the Winter Session," the official said.

The draft Bill is likely to have provisions for punitive action against companies that delay submission of details sought by the auditor.

"We do not have powers to ensure that records are presented to us as and when we ask for it... We do not have punitive powers and our resources are limited," he said.

Once the Bill is approved, public-private partnership (PPP) projects and regulators like the Pension Fund Regulatory and Development Authority (PFRDA) might also come under the CAG scanner.

Under the Companies Act, 1956, the CAG can audit the books of only those companies in which the government owns more than a 50 per cent stake.

(PTI)