

**PRESS INFORMATION BUREAU (DEFENCE WING)  
GOVERNMENT OF INDIA**

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**‘हर काम देश के नाम’**

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**Ministry of Defence sets up an Apex Committee for Performance and  
Efficiency Audit**

**It’s a major shift from compliance audit to improve overall efficiency**

The Ministry of Defence has set up an institutional mechanism comprising of an Apex committee with Defence Secretary as Chairman to conduct a Performance and Efficiency Audit into various aspects of its activities. This kind of audit is expected to provide valuable inputs to the top management of the Ministry of specific shortcomings, if any, in planning and execution of projects, and suggest systemic improvements in internal controls, soundness of financial procedures, identification of risk factors, etc. It is a major shift from the existing transaction-based compliance audit to carry out an outcome-based Performance/ Efficiency Audit aimed at enhancing overall efficiency.

The members of the committee include Vice Chiefs of the three Services, Secretary Defence (Finance), Chief of Integrated Staff Committee (CISC), Controller General of Defence Accounts (CGDA), Director General (Acquisition) and other senior officials of Ministry of Defence and Defence Research and Development Organisation (DRDO).

The broad areas that have been identified for the conduct of Performance and Efficiency Audit include Defence Capital Procurements, provisioning, logistics, inventory levels, Maintenance of platforms/ assets, role and performance of Authority Holding Sealed Particulars (AHSP) etc. the Apex committee can also recommend any other specific area for Performance and Efficiency Audit.

The committee chaired by Defence Secretary will identify specific areas for the conduct of performance and audit by CGDA and monitor performance audit reports and action taken thereon. It also shall advise Raksha Mantri on remedial measures to be adopted as well as measures for overall improvement in strengthening of internal oversight and Risk Management Framework.

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