

CHAPTER XVIII : GENERAL

18.1 Follow-up on Audit Reports

Despite repeated instructions/recommendations of the Public Accounts Committee, various Ministries/Departments did not submit remedial/corrective Action Taken Notes on 62 audit paragraphs even after the lapse of the time limit prescribed by the Public Accounts Committee. However, there was perceptible improvement in the position of pending ATNs over the last five years.

The Lok Sabha Secretariat issued instructions in April 1982 to all Ministries to furnish notes to the Ministry of Finance (Department of Expenditure), indicating remedial/ corrective action taken on various paragraphs contained in the Audit Reports, soon after these were laid on the Table of the House.

In their Ninth Report (Eleventh Lok Sabha) presented to the Parliament on 22 April 1997, the Public Accounts Committee (PAC) desired that submission of pending Action Taken Notes (ATNs) pertaining to Audit Reports for the years ended March 1994 and 1995 should be completed within a period of three months and recommended that ATNs on all paragraphs pertaining to the Audit Reports for the year ended March 1996 onwards be submitted to them duly vetted by Audit, within four months from the laying of the Reports in Parliament.

Further, the PAC, in their Eleventh Report (Fifteenth Lok Sabha) presented to the Parliament on 29 April 2010, recommended that the Chief Accounting Authorities should be made personally accountable in all cases of abnormal delays in taking remedial action and submitting ATNs to PAC.

The PAC also desired that the matter relating to delays in submission of ATNs should be brought before the Committee of Secretaries (CoS) periodically, preferably at quarterly intervals so as to expedite the submission of ATNs by all the defaulting Ministries/Departments.

In pursuance of the recommendations of PAC three meetings were taken by COS in the Cabinet Secretariat in which following decisions were taken:

- (i) The Secretaries in the Ministries/Departments, being the Chief Accounting Officers, will be personally responsible for ensuring finalisation of ATNs/ATRs on Audit paras/PAC Reports within the prescribed timeframe.
- (ii) Standing Audit Committee (SAC), chaired by Secretary/Special Secretary including the Financial Advisor will be set up by each Ministry for monitoring the submission of ATNs on paras of C&AG's Reports and ATRs on the recommendations of PAC besides taking appropriate remedial measures.
- (iii) ATN Adalats/Workshops should be held regularly for speedy submission of ATNs.

No meeting of COS was held since January 2012. However, two meetings of Group of Officers were held on 22 November 2012 and 26 February 2014 to discuss the progress of ATNs.

The PAC has been periodically reviewing the delay in submission of ATNs by various Ministries/Departments through its sub-committees on issue of 'Non-compliance by the Ministries/Departments in timely submission of ATNs' constituted over the years.

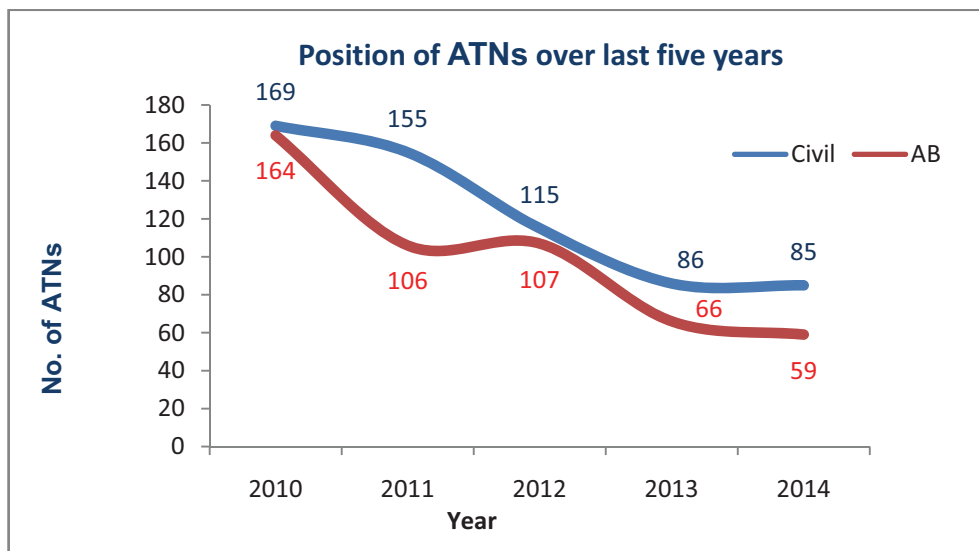
Sub-Committee IV of the PAC (2013-14 and 2014-15) has also examined the issue of 'Non-compliance by the Ministries/Departments in timely submission of ATNs'. The Sub-Committee has been very critical of the Ministries/Departments in the cases where they failed to submit ATNs, even for the first time and where they failed to furnish final ATNs to the Committee even after five to ten years of laying of Audit Reports.

In compliance of the direction given by the PAC in its Eleventh Report (15th Lok Sabha), a computerised web-based monitoring system known as Audit Para Monitoring System (APMS) was developed by the office of the CGA. The APMS is to provide a Management Information System for strengthening, streamlining and speeding up the task of submission of ATNs through the online platform. However, it was observed with dismay by the PAC in its First Report (16th Lok Sabha) submitted in

25 November 2014 that only 21 Ministries out of 81 were using the portal and even those Ministries which were using this portal were not very forthright in uploading ATNs timely on the portal.

In view of the direction of PAC to make the online monitoring of ATNs fully operational, it is imperative that all the Ministries start uploading these ATNs as soon as they become due in order to enable audit offices to upload their vetting comments against these ATNs.

Audit observed that with the constant advice and direction of PAC the position of pending ATNs continued on a declining trend as reflected in the following chart:



There was a 57 per cent decline in the number of pending ATNs from 333 in 2010 to 144 in 2014. The Ministry-wise position of the pending ATNs up to the period ended 31 March 2014 is given in the **AppendixXIV**. Out of 144 Paragraphs on which ATNs were required to be sent, ATNs in respect of 62 paragraphs were not received at all.

18.2 Response of the Ministries/Departments to draft paragraphs

Despite directions of the Ministry of Finance, issued at the instance of the Public Accounts Committee, Secretaries of Ministries/Departments did not send responses to 21 out of 42 draft paragraphs included in this Report.

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On the recommendation of the PAC, Ministry of Finance issued directions to all Ministries in June 1960 to send their responses to the draft paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India within six weeks of receipt of the paragraphs.

In 21 out of the 42 paragraphs included in this Report of the Comptroller and Auditor General of India for the year ended March 2014, replies from the Secretaries of the Ministries/Departments had not been received. The details are indicated in **Appendix-XV**.



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Dated: 01 May 2015

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