

Follow-Up Audit Reports

(a) Forwarding copies of Audit Reports to Secretary to Government after Presentation

The Director General/Accountant General (Audit) shall send copies of the audit report to the Secretary to Ministry of Defence after the presentation of the report in Parliament

(b) Preparation of action taken note for submission to PAC or COPU

The Secretary to Government of the concerned department shall cause preparation of self-explanatory action taken note(s) on the audit paragraph(s) relating to his department, that are included in the audit report, for submission to the Public Accounts Committee/Committee on Public Undertakings. In each case, the self-explanatory action taken note shall carry the approval of the Secretary and state:

- (1) whether a written reply on the draft audit paragraph was sent to the Accountant General (Audit) and if not, the reasons for not doing so;
- (2) whether the facts and figures stated in the audit paragraph are acceptable and if not, the reasons for not pointing this out when the draft paragraph was received by the Secretary;
- (3) the circumstances in which the loss, failure, infructuous expenditure, etc. as pointed out in the audit paragraph occurred; whether due to
 - (a) deficiency in the existing system including the system of internal control,
 - (b) failure to follow the systems and procedures, or
 - (c) failure of individuals including individuals at supervisory levels;
- (4) the action taken to fix responsibility on the individual(s) responsible for the loss, failure, infructuous expenditure, etc; and the likely time frame within which such action is expected to be completed;
- (5) the current status of recovery of any amount due to Government as pointed out in the audit paragraph;
- (6) the action taken or proposed to be taken on the suggestions and recommendations made in the audit paragraph;
- (7) the result of review of similar other cases, and the action taken;
- (8) the remedial action taken or proposed to be taken to avoid occurrence of similar cases in future, to streamline the systems and to remove system deficiencies, if any; and
- (9) such other information as may have been prescribed by the Public Accounts Committee/Committee on Public Undertakings.

(c) Vetting of action taken notes and responses on the recommendations of PAC/COPU by Director General/Accountant General (Audit)

In the Union, the States and the Union Territories having legislative assembly where legislative committees or the Government desire the Comptroller and Auditor General to vet the action taken notes and the responses of the Government on the recommendations of the Public Accounts Committee/Committee on Public Undertakings, the following procedure will apply:

(1) The Secretary to Government of the concerned department shall send two copies of the draft self-explanatory action taken note to the Accountant General (Audit) for vetting along with the relevant files and documents on which the explanatory note has been formulated, properly referenced and linked. This shall be done within such period of time as may be decided consistent with the requirements of the time-schedule for the submission of the self-explanatory action taken notes prescribed by the Public Accounts Committee/Committee on Public Undertakings.

(2) The Director General/Accountant General (Audit) shall return the self-explanatory action taken note to the Secretary duly vetted as soon as possible but not later than one month. Subject to any requirements that may have been prescribed by the Public Accounts Committee/Committee on Public Undertakings, the vetting comments of the Director General/Accountant General (Audit) may include suggestions for further course of action.

(3) The Secretary shall send the requisite number of copies of the vetted note, as prescribed by the Public Accounts Committee/Committee on Public Undertakings, to the secretariat of the Public Accounts Committee/Committee on Public Undertakings in accordance with the time schedule prescribed by the latter and also forward a copy each to Ministry of Finance or Finance Department as the case may be, and the Director General /Accountant General (Audit).

(4) On receipt of the recommendations of the Public Accounts Committee/Committee on Public Undertakings, the Secretary shall initiate action to prepare the Government's response by way of action taken note for submission to the respective Committee within such period and in such form as the Public Accounts Committee/Committee on Public Undertakings may prescribe.

(5) The Government's response on the recommendations of the Public Accounts Committee/Committee on Public Undertakings shall be sent to the Accountant General (Audit) for vetting before its submission to the respective Committee with the relevant files and documents properly referenced and linked. The vetting comments of the Director General/Accountant General (Audit) shall be duly reflected in the response that may be sent to the Public Accounts Committee/Committee on Public Undertakings.