

## CHAPTER XXI : GENERAL

### 21.1 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 51 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.

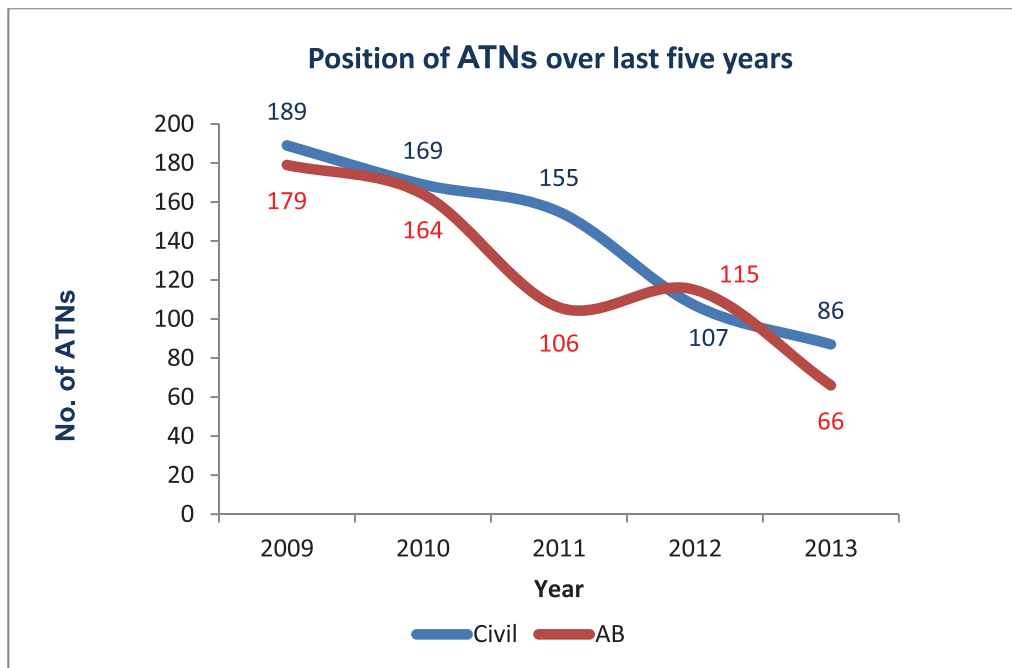
The PAC also desired that the matter relating to delays in submission of ATNs should be brought before the Committee of Secretaries (CoS) periodically, preferably at quarterly intervals so as to expedite the submission of ATNs by all the defaulting Ministries/Departments.

In pursuance of their recommendations, several 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.

Further, in their meeting held in November 2012, the CoS observed that as all Ministries/Departments had already set up SACs, they may ensure that workshops/adalats are held regularly for settlement of pending paragraphs/reports. It was also observed by them that the agreed target of 50 *per cent* reduction in old pending paras was not being achieved.

While it is expected that the envisaged 50 *per cent* reduction in pendency position may take some time, yet the position of pending ATNs over the last five year period recorded a consistent decline as reflected in the following chart:



As would be seen, there was a 58 per cent decline in the number of pending ATNs from 368 in 2009 to 152 in 2013 which would appear to indicate reasonable compliance to the directions issued by the PAC and the CoS from time to time.

The Ministry-wise position of the pending ATNs up to the period ended 31 March 2013 is given in the **Appendix XIV and XV**. Out of 152 Paragraphs on which ATNs were required to be sent, ATNs in respect of 51 paragraphs were not received at all.

## 21.2 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 26 out of 51 draft paragraphs included in this Report.**

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 26 out of the 51 paragraphs included in this Report of the Comptroller and Auditor General of India for the year ended March 2013, replies from the Secretaries of the Ministries/Departments had not been received. The details are indicated in **Appendix-XVI**.

New Delhi

Dated: 8 October 2014



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**Countersigned**

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Dated: 9 October 2014 Comptroller and Auditor General of India



(SHASHI KANT SHARMA)