

CHAPTER-III

GENERAL SECTOR

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3.1 Introduction

This Chapter of the Audit report for the year ended 31 March 2015 deals with the findings on audit of the State Government under General Sector.

The names of the State Government Departments and the total budget allocation and expenditure of the State Government under General Sector during the year 2014-15 are given in the Table below:

Table-3.1

(₹ in crore)

Sl. No.	Name of the Departments	Total Budget Allocation	Expenditure
1.	Legislative Assembly	23.16	20.45
2.	Governor	5.12	4.75
3.	Council of Ministers	6.26	5.50
4.	Law and Judicial	48.07	22.48
5.	Vigilance	4.94	4.71
6.	Finance	525.20	579.05
7.	Mizoram Public Service Commission	6.11	5.72
8.	Secretariat Administration	90.93	80.00
9.	Parliamentary Affairs	0.53	0.40
10.	General Administration Department	74.13	77.60
11.	Home	603.32	509.55
12.	Printing and Stationery	16.23	15.52
13.	District Councils	297.52	284.35
Total		1701.52	1610.08

Source: Appropriation Accounts, Government of Mizoram, 2014-15

3.2 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls *etc.*

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the Departments. The Departments are requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection reports are processed for inclusion in the Audit

Report, which is submitted to the Governor of State under Article 151 of the Constitution of India.

The audits were conducted during 2014-15 involving expenditure of ₹ 50.40 crore out of the total expenditure of ₹ 1,610.08 crore of the State Government under General Sector.

FOLLOW UP OF AUDIT OBSERVATIONS

3.3 Non-submission of *suo moto* Action Taken Notes (ATNs)

With a view to ensuring accountability of the Executive in respect of all the issues dealt with in various Audit Reports, the Public Accounts Committee (PAC), issued (May 2000) instructions for submission of *suo moto* ATNs on all paragraphs and performance audits featured in the Audit Report within three months of its presentation to the Legislature. For submission of the Action Taken Notes (ATNs) on its recommendations, the PAC provided six months time.

A review of follow up action on submission of *suo moto* ATNs disclosed that various departments of the State Government had submitted *suo moto* ATNs in respect of all paragraphs/reviews that had featured in the Audit Reports up to the year 2010-11 with certain delays. The Audit Report for the year 2013-14 was laid on the table of the State legislative assembly on 08 July 2015. The *suo moto* ATNs in respect of two paragraphs that had appeared in the Audit Report were due by the end of October 2015. However, no ATNs in respect of the paragraphs that have been included in the Reports of the Comptroller and Auditor General of India were received as of February 2016, even after a delay of about four months.

Thus, due to the failure of the respective departments to comply with the instructions of the PAC, the objective of ensuring accountability remained unachieved.

3.4 Response to audit observations and compliance thereof by the Executive

Accountant General (Audit) conducts periodical inspections of Government Departments to test-check the transactions and verify the maintenance of significant accounting and other records as per the prescribed rules and procedures. These inspections are followed by Inspection Reports (IRs) issued to the Heads of Offices inspected, with a copy to the next higher authorities. Rules/orders of the Government provide for prompt response by the Executive to the IRs issued by the Accountant General to ensure corrective action in complying with the prescribed rules and procedures and accountability for the deficiencies, lapses, *etc.*, noticed during the inspection. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and report their compliance to the Accountant General. Serious irregularities are also brought to the notice of the Head of the Department by the Office of the Accountant General.

As of March 2015, 95 paragraphs relating to 36 IRs remained outstanding as shown in the following Table:

Table-3.2

Name of the Sector	Opening Balance		Addition during the year 2014-15		Disposal during the year 2014-15		Closing Balance	
	IR	Paras	IR	Paras	IR	Paras	IR	Paras
General	21	44	20	69	05	18	36	95

3.5 Audit Committee Meetings

State Government had notified (04 September 2013) constitution of an Audit Committee to consider and take measures for timely response and speedy settlement of outstanding paragraphs of Inspection Reports lying in different departments.

During 2014-15, no audit committee meeting was held in respect of General sector.

