

CHAPTER-VI

FOLLOW UP OF AUDIT OBSERVATIONS

6.1 Non-submission of *suo moto* Action Taken Notes

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* replies on all paragraphs and reviews 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.

Review of follow up action on submission of *suo moto* replies and of ATNs as of 31 March 2013 on paragraphs included in the Reports of the Comptroller and Auditor General of India disclosed that the Departments of the State Government had not submitted *suo moto* replies to 16 paragraphs/reviews featured in the Audit Reports for the years 2009-10 and 2010-11, as mentioned below:

Table-6.1.1

Year of Audit Report	Date of presentation of the Audit Report to the Legislature	Number of paragraphs/ reviews included in the Audit Report (excluding standard paragraphs)	Total number of paragraphs and reviews for which <i>suo moto</i> explanatory notes are awaited	Number of Departments
2010-11	26.07.2012	18	16	11
Total		18	16	11

Source: Legislative Assembly secretariat

Thus, due to the failure of the respective Departments to comply with the instructions of the PAC, the objective of ensuring accountability of the executive remained inadequate.

6.2 Response to audit observations and compliance thereof by the Executive

Accountant General (Audit) conducts periodical inspection 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 compliance with the prescribed rules and procedures and accountability for the deficiencies, lapses, *etc.*, noticed during his 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.

A review of IRs issued during 1995-2012 revealed that 750 paragraphs relating to 138 IRs remained outstanding as of March 2012.

No audit committee meeting was held during 2011-12.



Aizawl
The 30 April 2013

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New Delhi
The 02 May 2013

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Comptroller and Auditor General of India