

CHAPTER – VI

FOLLOW UP OF AUDIT OBSERVATIONS

6.1 Follow up action on earlier Audit Reports

6.1.1 Non-submission of explanatory notes

Serious irregularities noticed in audit are included in the Report of the Comptroller and Auditor General of India (Audit Reports) and presented to the State Legislature. According to the instructions issued by the Finance Department, Government of Tripura in July 1993, the Administrative departments were required to furnish explanatory notes on the paragraphs/reviews included in the Audit Reports within three months of their presentation to the Legislature.

It was noticed that as of February 2013, 12 Departments did not submit explanatory notes on 23 paragraphs and 12 reviews included in the Audit Reports (Civil) from the years 2001-02 to 2010-11. The position of *suo motu* replies during the last five years is shown in the chart below.

Chart No. 6.1
Position of pending *suo motu* replies to Audit Reports

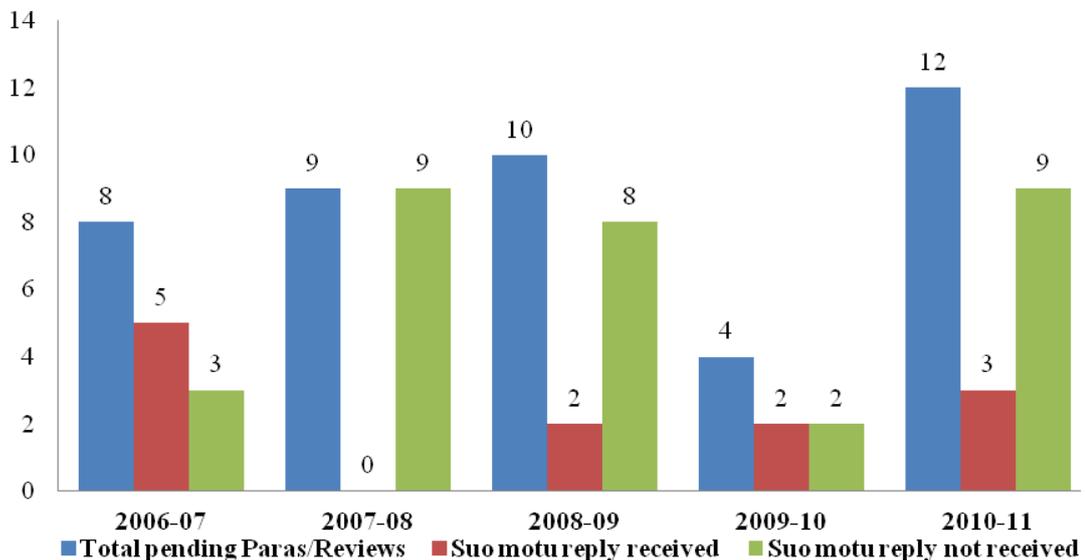


Chart 6.1 represents the position of *suo motu* replies received/not received pertaining to pending paras/reviews of Audit Reports (Civil) for the period from 2006-07 to 2010-11. The Department largely responsible for non-submission of explanatory notes was Public Works (Roads & Buildings)¹.

6.1.2 Response of the departments to the recommendations of the Public Accounts Committee (PAC)

Finance Department, Government of Tripura issued (July 1993) instructions to all departments to submit Action Taken Notes (ATN) on various suggestions, observations and recommendations made by PAC for their consideration within six months of presentation of the PAC Reports to the Legislature. The PAC Reports/Recommendations are the principal medium by which the Legislature enforces financial accountability of the Executive to the Legislature and it is appropriate that they elicit timely response from the departments in the form of Action Taken Notes (ATNs).

As of February 2013, out of 30 recommendations of the PAC made between 2000-01 and 2009-10, 18 ATNs were submitted of which 9 ATNs had been discussed by the PAC. The concerned administrative departments had not submitted ATNs for 12 recommendations. Of these, 4 recommendations were due from the Health and Family Welfare Department, 3 from Public Works (Drinking Water and Sanitation) Department.

6.2 Monitoring

The following Committees have been formed at the Government level to monitor the follow up action on Audit Reports and PAC recommendations.

Departmental Monitoring Committee

Departmental Monitoring Committees (DMCs) had been formed (April 2002) by all departments of the Government under the Chairmanship of the Departmental Secretary to monitor the follow up action on Audit Reports and PAC recommendations. The DMCs were to hold monthly meetings and send Progress Reports on the issue every month to the Finance Department.

The details of DMC meetings held during 2011-12 were awaited (February 2013) from the Finance Department.

¹ 12 Paragraphs and 1 Review.

Apex Committee

An Apex Committee had been formed (April 2002) at the State level under the Chairmanship of the Chief Secretary to monitor the follow up action on Audit Reports and PAC recommendations.

The details of Apex Committee meetings held during 2011-12 were awaited (February 2013) from the Finance Department.

6.3 Outstanding Inspection Reports

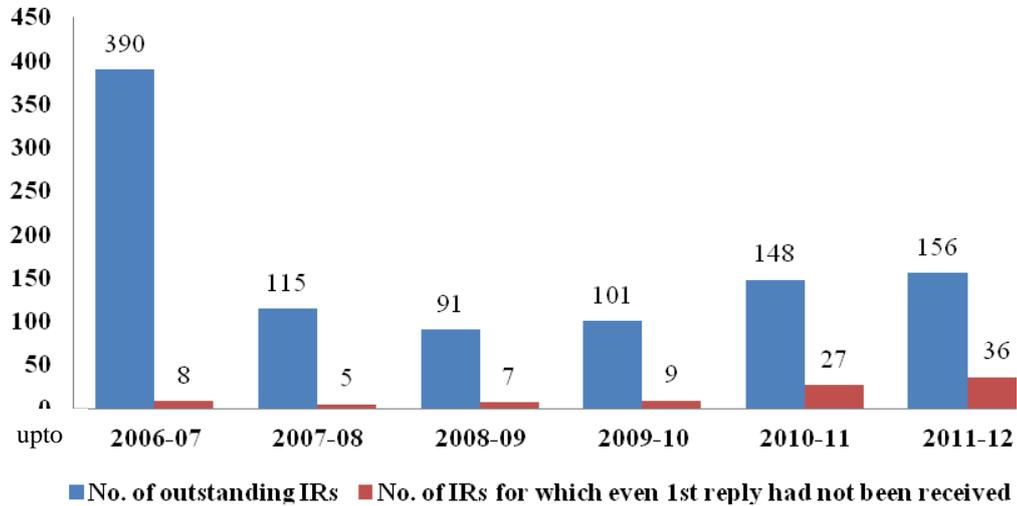
First reply for 92 out of 1,001 Inspection Reports issued upto 2011-12 were not furnished by the Civil and Public Works Departments within the stipulated period.

Audit observations on financial irregularities and deficiencies in maintenance of initial accounts noticed during local audit and not settled on the spot are communicated to the audited entities and to the higher authorities through Inspection Reports (IRs). The more serious irregularities are reported to the Government. The Government had prescribed that the first reply to the IRs should be furnished within one month from the date of receipt.

The position of outstanding reports in respect of the Civil Departments (including Public Works Department) is discussed below.

3,559 paragraphs included in 1,001 IRs issued upto 2011-12 were pending settlement as of February 2013. Of these, even the first reply had not been received in respect of 92 IRs in spite of repeated reminders. The year-wise break-up of the outstanding IRs and the position of response thereto is given in the chart below:

Chart No. 6.2
Position of total outstanding IRs



As a result, the following important irregularities commented upon in those IRs, had not been addressed as of February 2013.

Table No. 6.1

Nature of irregularities	Number of cases	Amount involved (₹ in crore)
Excess/Irregular/Avoidable/Unfruitful/Wasteful/Unauthorised/Idle expenditure	164	135.51
Blocking of funds	131	110.23
Non-recovery of excess payments/overpayments	133	54.67
Others	1,208	784.43
Total:	1,636	1,084.84

6.3.1 Departmental Audit Committee meetings

Thirteen Audit Committee meetings were held during 2011-12 wherein 48 IRs and 188 paragraphs were discussed out of which 14 IRs and 109 paragraphs were settled.

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