

Compliance to Audit observations : Para 5.13 of Manual of Inspection Civil.

5.13 Raising and pursuance of observations : a) The field staff should make use of Forms 'A' & 'B' (vide Annexure) for issuing observations during the course of local audit.

b) All observations for which replies are required and are important enough to go into the Audit Report or Audit Note should be noted in Form 'A'. Urgent and important information should be obtained in Form 'B'. These will be sent to the Section Officer of the Field Party conducting the next audit for verification.

c) All observations, memoranda should be issued in duplicate only under the signature of the Section Officer or under the signature of the Inspecting Officer whenever the local audit is supervised by one. 150 Chapter-5 Manual of Inspection (Civil)

d) Objection memoranda should be ordinarily received back with replies within 24 hours of their issue. It should be seen that the replies issued under the signature of the Head of the Office inspected or by the next lower officer when the Head of the Office is not in station. Before the close of the audit all the inspection notes should be received back from the Officer-in-charge.

NOTE1: (i) The Inspecting Officer/Section Officer should avoid issue of audit enquiry memoranda as far as possible on the last date of audit.

(Circular No. O.A.D/Civil/IX/Misc/32-10/69-70/57, Dated 8th May, 1969).

(ii) The term Half Margin has been changed as Audit Enquiry as replies to audit observations are not being furnished on Half Margin Forms.

(LA-I Circular No.LA-I/Genl./2004-05/19 dt.19.10.2004)

NOTE.2: The State Government directed in their Circular Memo No. 159556 B/Accounts/58-2, dated 24th December, 1958 that the Departments of the Secretariat and the Heads of the Departments to furnish replies to all the audit enquiries issued during the course of local audit immediately, in any case not later than one day before the date of completion of audit. They are further directed to issue necessary instructions to all officers under their control.

Failure to comply with these instructions should be mentioned clearly in the forwarding letter for taking up the matter with the departmental heads by Inspection (Civil) Headquarters.

(O.O.No. O.A.D.II/8, dated 20th January, 1959).

Such situation should be tackled with tact and persuasive approach by the field staff with a view to obtaining replies on the spot. The Inspection Reports should be finalised on the basis of material available in audit enquiry memoranda issued and forwarded to Headquarters Section in accordance with the time limits prescribed for transmission of reports (Three days for offices situated at Headquarters and five days for other offices).

(O.O.No. O.A.D.II/IV/6-13/58-59/19, dated 24th September, 1963 and Cir.No. O.A.D.I/X/1-7/66-67/29, dated 2nd February, 1967-File No. 1-7/67-68 of Unit X. O.A.Dm (Civil) Headquarters.

NOTE 3: It should be understood that only replies enabling an observation to be totally withdrawn can be accepted. Replies such as 'noted', 'will be done' etc., and partial answers to objections are of no value.

(O.A.D. Gen.No.3 dated 14th March, 1957).

NOTE 4 : Replies to Memoranda in Forms A and B should be carefully scrutinised by the Section Officer/Gazetted Officer (in the case of supervised inspections) and an attempt made to settle as many observations as possible during the course of audit. Whenever an item is settled a marginal note of the same should be made and initialled by the Section Officer.

If, however, in any case it becomes absolutely unavoidable to leave the observation statements with the departmental authorities, only copies should be left so that the original will always be available with the party from which the draft report may be prepared in case the replies are not received in time. 151 Chapter-5 Manual of Inspection (Civil).

NOTE 5: If the replies to the audit queries are incomplete or inadequate, the pages concerned should be reissued to the local officer with a request to return the same with further remarks to clarify the point. The Gazetted Officer in the course of their inspection should also impress upon the Heads of the Offices, the paramount importance of returning the observation statements promptly to the audit party.