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**NON-COMPLIANCE BY MINISTRIES/  
DEPARTMENTS IN TIMELY SUBMISSION  
OF ACTION TAKEN NOTES ON THE NON-  
SELECTED AUDIT PARAGRAPHS (2010-11)**

**MINISTRY OF FINANCE**

**PUBLIC ACCOUNTS  
COMMITTEE  
2011-2012**

**FIFTEENTH LOK SABHA**

FIFTY-EIGHTH REPORT

PUBLIC ACCOUNTS COMMITTEE  
2011-2012

(FIFTEENTH LOK SABHA)

NON-COMPLIANCE BY MINISTRIES/DEPARTMENTS  
IN TIMELY SUBMISSION OF ACTION TAKEN  
NOTES ON THE NON-SELECTED AUDIT  
PARAGRAPHS  
(2010-11)

MINISTRY OF FINANCE

*Presented to Lok Sabha on 27.04.2012*

*Laid in Rajya Sabha on 27.04.2012*



LOK SABHA SECRETARIAT

NEW DELHI

*April, 2012/Vaisakha 1934 (Saka)*

**P.A.C. No. 1973**

*Price: ₹ 48.00/-*

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fourteenth Edition) and Printed by the Manager, Government of India Press, Minto Road, New Delhi-110 002.

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE  
(2011-12)

Dr. Murli Manohar Joshi — *Chairman*

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4. Shri Sandeep Dikshit
5. Shri Anant Kumar Hegde
6. Shri Bhartruhari Mahtab
7. Shri Shripad Yesso Naik
8. Shri Sanjay Nirupam
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17. Shri Prasanta Chatterjee
18. Shri Naresh Gujral
19. Shri Prakash Javadekar
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21. Shri J.D. Seelam\*
22. Prof. Saif-ud-Din Soz

SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri H.R. Kamboj — *Additional Director*

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\*Elected *w.e.f.* 29th August 2011 *vide* the vacancy occurred *vice* Smt. Jayanti Natarajan appointed Minister *w.e.f.* 12th July, 2011.



COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE  
(2010-11)

Dr. Murli Manohar Joshi — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Anandrao Vithoba Adsul
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11. Kunwar Rewati Raman Singh
12. Shri K. Sudhakaran
13. Dr. M. Thambidurai
14. Shri D. Venugopal
15. Shri Aruna Kumar Vundavalli

*Rajya Sabha*

16. Vacant\*
17. Shri N. Balaganga
18. Shri Prasanta Chatterjee
19. Shri Kalraj Mishra
20. Shri N.K. Singh
21. Shri Tiruchi Siva
22. Prof. Saif-ud-Din Soz

SECRETARIAT

Shri Devender Singh — *Joint Secretary*

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\* Vacancy occurred *vice* Shri Ashwani Kumar has been appointed as Minister of State *w.e.f.* 19th January, 2011.





COMPOSITION OF SUB-COMMITTEE-I OF THE PUBLIC ACCOUNTS  
COMMITTEE (2010-11)

Shri Bhartruhari Mahtab — *Convenor*

MEMBERS

*Lok Sabha*

2. Shri Naveen Jindal — *Alternate Convenor*

3. Dr. K. Sambasiva Rao

*Rajya Sabha*

4. Shri Kalraj Mishra



## INTRODUCTION

I, the Chairman, Public Accounts Committee (2011-12) having been authorised by the Committee, do present this Fifty-eighth Report (Fifteenth Lok Sabha) on **'Non-Compliance by the Ministries/Departments in timely submission of Action Taken Notes on Non-selected Audit Paragraphs (2010-11)'** relating to the Ministry of Finance (Department of Expenditure).

2. Taking cognizance of the inordinate delay on the part of various Ministries/Departments in furnishing the Action Taken Notes on the Non-selected Audit Paragraphs/Chapters/Reports within the stipulated time frame, the Public Accounts Committee (2010-11) took up the subject for detailed examination and report. A sub-Committee was specially constituted for the purpose. In due consultation with the Audit, it was decided to examine the position in respect of the Ministry of Finance. In the process, the Sub-Committee called for Background Notes/Written replies and took evidence of the representatives of the Ministry of Finance (Department of Expenditure).

3. The Sub-Committee-I took evidence of the representatives of the Ministry of Finance on 20th April, 2011. The Committee considered and adopted this Report at their sitting held on 24th April, 2012. Minutes of the Sittings form Appendices to the Report.

4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

5. The Committee thank the Sub-Committee of their predecessor Committee for their efforts in examining the subject in detail.

6. The Committee would also like to express their thanks to the officers of the Ministry of Finance for tendering evidence before the Sub-Committee and furnishing information that the Sub-Committee/Committee desired in connection with the examination of the subject.

7. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Office of the Comptroller and Auditor General of India.

NEW DELHI;  
24 April, 2012  
4 Vaisakha, 1934 (Saka)

DR. MURLI MANOHAR JOSHI  
*Chairman,*  
*Public Accounts Committee.*



## PART I

### REPORT

#### I. INTRODUCTORY

The Reports of the Comptroller and Auditor General of India, after being laid in the Parliament as per Article 151 of the Constitution of India stand referred to the Public Accounts Committee for their scrutiny. As the Audit Reports contain several paragraphs and issues, it is not possible for the Public Accounts Committee to go through each and every Report and issue dealt with in the various Audit Reports. It is therefore important for the Committee to be selective in its approach. Accordingly, at the starting of each term, the Public Accounts Committee, generally, select a few relatively more important paragraphs from the Reports of the Comptroller and Auditor General of India for in-depth examination.

2. As regards the Audit Paragraphs that were not selected by the Committee for detailed examination, there was no system for ascertaining the Action Taken by the Ministries/Departments thereon till 1981. However, the Public Accounts Committee (1981-82) at their sitting held on 30th June, 1981 decided that the Ministries concerned be asked to furnish notes indicating the Remedial/Corrective Action Taken by them on the points raised by the Audit in respect of all such paragraphs in the Reports of the C&AG for the year 1979-80 as had not been selected by the Committee for detailed examination. Subsequently, the Public Accounts Committee at their sitting held on 7th April, 1982 decided that the various Audit Reports for the year 1980-81 be referred to the Ministries concerned for furnishing notes duly vetted by Audit showing Remedial/Corrective Action Taken on all the paragraphs contained therein. The Committee also decided on 16th April, 1982 that these instructions were to be treated as 'standing instructions' for future also. Accordingly, the Lok Sabha Secretariat informed the Ministry of Finance (Department of Expenditure) on 19th April, 1982 that the Ministries concerned be asked to furnish in future notes indicating the Remedial/Corrective Action Taken by them on the various Audit paragraphs contained in Audit Reports for the year 1980-81 as soon as the same were laid on the Table of the House. It was also specified that the Ministry of Finance (Department of Expenditure) was to coordinate and collect the notes from the various Ministries and forward the same to the Lok Sabha Secretariat.

3. Taking note of the inordinate delay and persisting failure on the part of the Ministries in reporting to the Committee the Corrective Action Taken on Audit Paragraphs, the Committee in their 105th Report (10th Lok Sabha—1995-96) observed that the results of audit of Government's financial transactions would largely remain in vain, unless an adequate mechanism was devised to ensure timely submission of the Action Taken Notes. The Committee, therefore, recommended that the Action Taken Notes on all paragraphs of the Reports of C&AG should be furnished to the Committee through the Ministry of Finance (Department of Expenditure) within a period of 4 months from the date of laying of Audit Reports on the Table of the House (Starting

from 31st March, 1996 onwards). The Remedial Action Taken Notes and briefs on 'non-accepted' paras are then circulated to the Members of the PAC for their perusal and then the Remedial Action Taken Notes reach the stage of finality. If situation warrants, any of these categorized Paras/Reports/Subjects can be taken up for in-depth examination and Report. From the year 2009-10 onwards, the Public Accounts Committee have been examining vigorously the subject 'Non-compliance by the Ministries/Departments in timely submission of Action Taken Notes on Non-Selected Audit Paragraphs' the Reports on which are also presented to the Parliament.

4. Since excessive delays were noticed in the receipt of Action Taken Notes from the various Ministries/Departments, the PAC (2008-09) took cognizance of the matter and asked the Ministry of Finance (Department of Expenditure—Monitoring Cell), to look into the matter and expedite submission of the Action Taken Notes. Taking a serious view of the inordinate delay in submission of Remedial/Corrective Action Taken Notes by various Ministries/Departments, the Public Accounts Committee summoned the Secretary, Ministry of Finance (Department of Expenditure) on 15th September, 2008 and directed him to take necessary action for furnishing all the pending Remedial/Corrective Action Taken Notes to the Public Accounts Committee within a period of three months *i.e.* by 14th December, 2008. The Audit officials were also requested to furnish Ministry/Department-wise position of the paras on which Remedial/Corrective Action Taken Notes were awaited from the concerned Ministries/Departments.

5. Subsequently, the then Chairman, PAC (2008-09) addressed a letter to the Hon'ble Prime Minister seeking his kind intervention in the matter so that the Remedial/Corrective Action Notes were furnished expeditiously by all the Ministries/Departments concerned to the Public Accounts Committee, within the stipulated time period. Thereafter, the PAC (2008-09) at their sitting held on 19th January, 2009 reviewed the position with regard to submission of pending Action Taken Notes by various Ministries/Departments. The Committee's review of the position revealed that post briefing, no perceptible improvement had taken place with regard to furnishing of Action Taken Notes by various Ministries/Departments.

6. During the first sitting of Public Accounts Committee (2010-11) held on 21st May, 2010 the Comptroller and Auditor General of India apprised the Committee about the pendency of large number of Action Taken Notes from various Ministries/Departments. Consequently, the Committee selected the subject "Non-Compliance by the Ministries/Departments in timely submission of replies to the Audit paragraphs of the C&AG" for detailed examination and a Sub-Committee of the PAC (2010-11) was constituted (Sub-Committee-I) for examination of this subject.

## **II PENDING POSITION OF REMEDIAL/CORRECTIVE ACTION TAKEN NOTES WITH VARIOUS MINISTRIES/DEPARTMENTS**

7. As per the information furnished by the Ministry of Finance (Department of Expenditure), a total of 4191 Action Taken Notes (to be reduced to 3099 after reconciliation), as on 25th June, 2010 were pending with various Ministries/Departments. An analysis of this statement reveals that in respect of Revenue Division

of the Ministry of Finance *viz.* Central Board for Direct Taxes (CBDT), the Central Board for Central Excise and Customs (CBEC) and the Department of Revenue, the pendency position of ATNs was 3 116 (2670 related to CBDT, 434 related to CBEC and 12 to Department of Revenue). The same is reproduced (**Annexure I**).

8. However, according to Audit, as on 31st May, 2010, a total of 3462 paragraphs were pending with various Ministries/Departments. Out of these, 2397 paras alone pertain to Revenue wing comprising CBDT, CBEC and Customs, followed by Railways wings (411), Defence (187), Autonomous Bodies wing (135), Scientific Departments wing (162) and Civil Ministry Wing (131). Further out of these 3462 pending paras, Action Taken Notes in respect of 1849 paras were not received by the Audit even for the first time. Further, Action Taken Notes in respect of 860 paras were received by Audit but these were returned by Audit to respective Ministries/Departments. The re-submission of the Ministries on them was still awaited. Action Taken Notes in respect of 605 paras were under vetting in Audit. The same have been reproduced (**Annexure II**).

### **III PENDENCY POSITION OF ACTION TAKEN NOTES RELATING TO MINISTRY OF FINANCE (DEPARTMENT OF REVENUE)**

9. As stated above, the total number of Action Taken Notes pending with the Ministry of Finance (Department of Expenditure) which comprises Revenue Division *viz.* CBDT, CBEC and Department of Revenue were 3 116 as on 25th June, 2010.

10. When the Sub-Committee enquired about the note from the Ministry of Finance (Department of Expenditure) seeking deletion of paras from the pending list, a representative of the Ministry during evidence submitted as under:

"The request for taking no further paragraphs for CBDT was definitely done, and the PAC have been kind enough in its 11th Report of 15th Lok Sabha to agree for not taking further 1092 paragraphs....."

11. When specifically asked about the request from the Monitoring Cell for deletion of 21 old pending paras (**Annexure VI**) which were forwarded to the Committee, the Ministry explained as under:

"As per existing practice and direction in terms of Lok Sabha Secretariat OMs forwarding copy of the PAC report to concerned Ministry/Department; the Action Taken Reports on PAC recommendations (duly vetted by audit) are required to be sent to PAC Branch of the Lok Sabha Secretariat directly by the concerned Department within the stipulated period of six months. The role of Monitoring Cell in the Department of Expenditure is limited to reconciliation and updating of the status of pending PAC paras. ATRs on PAC reports are not submitted through the Monitoring Cell.

There was need to update the status of pending PAC paras in connection with the review meetings of the Hon'ble Finance Minister and Secretary (Expenditure) with Financial Advisors and meeting of the Committee of Secretaries. In the process, it was noted that 21 old pending PAC paras [7 paras pertaining to 8th Lok Sabha (1986—90) in respect of Department of Land Reforms and



14 paras pertaining to 9th Lok Sabha (1990-91) & 10th (1992—96) Lok Sabha in respect of CBEC of the Department of Revenue] were pending as per record of Monitoring Cell.

During informal inquiry it was learnt from the Committee Officer of the concerned PAC Branch that as per their record, these para were not pending. Accordingly, a formal communication was sent to PAC Branch seeking confirmation from them that the said paras were not pending in the records of that office. The intention was to ascertain the existing status of outstanding paras from the purpose of reconciliation and record and not to request PAC Branch of Lok Sabha Secretariat for deletion of the said 21 PAC paras pertaining to Department of Revenue and Department of Land Resources. However, the miscommunication is deeply regretted and the observations of the Sub-Committee-I of PAC have been noted for further compliance."

#### **IV. ROLE OF MONITORING CELL, DEPARTMENT OF EXPENDITURE**

12. The Monitoring Cell under the Department of Expenditure (Ministry of Finance) has been entrusted to coordinate and collect the Remedial/Corrective Action Taken Notes on the various Audit Paragraphs contained in different Audit Reports from all the Ministries/Departments concerned duly vetted by Audit and forward the same to the Public Accounts Committee within the stipulated period of four months from the date of presentation of Audit Reports to the Parliament.

13. The Sub-Committee were informed that adequate opportunity was given by C&AG to the Departmental Officers to offer their comments, before including any matter in the Audit Report. Immediately on completion of audit, the Audit office communicates the findings to the Head of Office through an Inspection Report. The Officer in-charge of the audited entity is to furnish reply to the Inspection Report within four weeks. Irregularities of a grave nature, which CA&G deems fit to be included in their Audit Report to be placed in the Parliament, are communicated in the form of a 'Draft Audit Paragraph' to the Secretary of the Ministry concerned demi-officially by the Principal Audit Officer requesting him to furnish their comments/observations and explanations within a period of six weeks. The Secretary, in his reply, is expected to (i) confirm facts and figures included in the draft paragraph and (ii) offer his comments and observations on the matters included in the draft paragraph.

14. When the Sub-Committee desired to know the mechanism in place or proposed to be devised by the Department of Expenditure to ensure timely submission of Action Taken Notes within the stipulated time, the Ministry submitted as under:

"Monitoring mechanism for speedy liquidation of pending audit paras by Ministries/Departments has been adequately streamlined with the setting up of institutional mechanism by way of constitution of Standing Audit Committee (SAC) and Action Taken Note (ATN) Adalat, review of progress in resolution of pending paras by holding Committee of Secretaries (CoS) meetings regularly, Finance Minister and Secretary (Exp.)'s review meeting with the Financial Advisors of Ministries. It is expected that with the computerized monitoring system for timely/expeditious submission of ATNs on Audit paras at the level of Monitoring Cell becoming operational for User ministries, Audit and PAC Branch; Ministries/Departments will be able to

show considerable improvement in the matter of reduction of the pending Audit Paras.

Secretary (Exp.)'s letter dated 1st July, 2010 as reproduced in Annexure III provides that Secretaries of Ministries/Departments shall be personally responsible for ensuring (timely submission of) ATN's on Audit paras within the prescribed time frame. Thereafter Jt. Secretary (Personnel), Ministry of Finance had issued on OM dated 2nd August, 2010 addressed to all Secretaries to Government of India wherein detailed instructions for constitution of Standing Audit Committee (SAC) to be chaired by the Secretary of the Ministry were given. It was *inter-alia* provided therein that the nominee of the C&AG at the level of DG/PD will participate in the SAC in respect of Ministry of Defence, Ministry of Railways, Department of Revenue (CBDT&CBEC) and the Department of Telecommunications. The Standing Audit Committee SAC, as a nodal agency, will monitor and review the submission of ATNs on Audit paras on a monthly basis so as to ensure that all Audit paras are responded to within the stipulated time limit and also take appropriate remedial measures for systemic and other required changes in order to prevent recurrence of persistent irregularities pointed out in the Audit paras."

15. On being asked to state explain the delay in furnishing the ATNs within 4 months from the date of laying of Audit Reports, the Ministry submitted that a large number of Audit paras were pending with the Ministries/Departments due to the following reasons:

- (i) Contents of some of the Audit observations relate to various autonomous bodies and attached offices under Ministries/Departments as well as various Centrally sponsored schemes and programmes which are implemented by State Governments/UTs through grants-in-aid. It takes considerably long time to collect data/requisite information from the field formations spread across the country and also from State Governments/UTs to facilitate preparation of Action Taken Note on Audit paras.
- (ii) Non-availability of timely information/clarifications from some other Ministries/Departments in respect of audit observations which relate to more than one Ministry/Department and involve inter-ministerial consultations.
- (iii) Some Ministries/Departments have been facing difficulties in getting the Hindi Translation of the vetted ATNs on Audit paras causing delay in submission of copies of finalised ATNs to PAC.
- (iv) CBDT and CBEC of the Department of Revenue have reported that the subject-matter of a large number of Audit paras are *sub-judice* and Action Taken Notes on these paras could be finalized only after the judicial process was over.
- (v) Delays in finalization/vetting of draft action taken notes by Audit authorities in some cases.

16. When the Sub-Committee desired to know whether any responsibility had ever been fixed for not furnishing Remedial Action Taken Notes on the pending Audit Paragraphs, the Ministry stated as under:

"In terms of Secretary (Exp.)'s OM dated 1st July, 2010, Secretaries of Ministries/Departments as Chief Accounting Authority will be personally responsible for ensuring that ATNs/ATRs on Audit paras/PAC paras are finalized within the prescribed time frame. Timely submission of ATNs/ATRs has been included as one of the targets in the Results Framework Document (RFD) of each Ministry/Department as the responsibility of the Chief Accounting Authority and assigned a weightage of two points. Jt. Secretary (Personnel), Ministry of Finance had also written to all Secretaries to Government of India *vide* OM dated 2nd August, 2010 (Annexure III) wherein detailed instruction for constitution of Standing Audit Committee (SAC) to be chaired by the Secretary of the Ministry were given. It was *inter-alia* provided therein that the nominee of the C&AG at the level of DG/PD will participate in the SAC in respect of Ministry of Defence, Ministry of Railways, Department of Revenue (CBDT&CBEC) and the Department of Telecommunication. The SAC, as a nodal agency, will monitor and review the submission of ATNs on Audit Paras on a monthly basis so as to ensure that all Audit paras are responded to within the stipulated time limit and also take appropriate remedial measures for systemic and other required changes in order to prevent recurrence of persistent irregularities pointed out in the Audit paras."

17. On being asked to state whether non-furnishing of replies to a large number of Audit Paragraphs should be taken as non-fulfilment of responsibilities by the Chief Accounting Authority under Rule 64 of General Financial Rules and the system in the Department of Expenditure to obviate such a situation, the Ministry stated that in terms of Secretary (Exp.)'s OM dated 1st July, 2010, Secretaries of Ministries/Departments as Chief Accounting Authorities will be personally responsible for ensuring that ATNs/ATRs on Audit paras/PAC paras are finalized within the prescribed time frame. The Ministry further submitted that 'timely submission of ATNs/ATRs has been included as one of the targets in the Results Framework Document (RFD) of each Ministry/Department as the responsibility of the Chief Accounting Authority and assigned a weightage of two points. Cabinet Secretary through the Committee of Secretaries is also monitoring the progress of timely response to ATNs/ATRs'.

18. When asked whether the Ministry had evolved any formal system with the concerned Ministries to hold regular discussions with Audit authorities through Audit Committees to ensure timely submission of correct and complete replies and prompt settlement of audit objections, the Ministry submitted as under:

"In consonance with the recommendations of the Committee of the Secretaries, instructions have been issued to all the Ministries/Departments by the Department of Expenditure to set up Standing Audit Committee (SAC) under the Chairmanship of its Secretary and comprising Financial Advisor and any other member the SAC may wish to co-opt. As per the decision taken by the O/o C&AG, the nominee of the C&AG at the level of DG/PD participates in the SAC in respect of Ministry of Defence, Railways, Department of Revenue

(CBDT&CBEC) and Department of Telecommunication. The SAC, being nodal agency will monitor and review on a monthly basis the submission of ATNs on Audit/PAC paras and take appropriate remedial measures. Meetings of SAC chaired by the Secretary as Chief Accounting Authority are being held regularly in the Ministries."

19. Supplementing the information, the witness deposed as under:

"First and foremost, the original suggestion of the Committee of Secretaries was taken up. Two meetings of the Secretaries were held on 17th of June and 2nd of November to review the pendency of paragraphs and certain actionable steps were drawn up by the CoS which through a letter from the Secretary (Expenditure) was conveyed to the various Ministries and Departments. The actionable point was, it was re-emphasised that the Secretary being the Chief Accounting authority is responsible for the timely submission of the ATNs. Secondly, as a part of the performance appraisal it was decided in the CoS that it would be made part of the Result Framework Document with the weightage of the two points.

That is all the Ministries are supposed to have their framework document as part of their performance appraisal. This is part of the administrative reforms which has been put into place. Now as part of the CoS decision it was suggested that for the appraisal of the Secretary because the Secretary and Ministry as a whole is to apprise through the RFT document. In that one of the main aspects is the financial propriety which has many other points of which one of the points is the timely submission of ATNs and ATRs which has a weightage too as of now. The Standing Audit Committees were asked to be constituted with the Secretary Chairing the Standing Audit Committees with C&AG audit representatives in the Ministries of Railways, Defence, Revenue and Telecom which has high pendencies. 66 Ministries out of 70 Ministries have already had the SAC constituted and remaining four is which need to be constituted. There are basically Food Processing Industries, Heavy Industries, Civil Aviation, Panchayati Raj, Statistics and Programme Implementation and Justice and we understand all the paragraphs are nil except may be for Justice they would be having one pending."

20. When the Sub-Committee enquired whether delay in submission of ATNs by various Ministries was ever brought to the notice of the Committee of Secretaries during the last five years, the Ministry stated that the delay in submission of ATNs by various Ministries was reviewed by the Committee of Secretaries (CoS) chaired by Cabinet Secretary on 17th June, 2010 and 2nd November, 2010.

21. When the Sub-Committee desired to know about the efforts made the Monitoring Cell to take up the issue with the erring Departments namely, Defence, Health, Railways, Revenue (CBEC and CBDT) and Telecom, which register huge number of pendency, the Ministry submitted as under:

"The Monitoring Cell is regularly taking up the issue of huge pendency with the five Departments mentioned above. In view of large pendency; C&AG

agreed to nominate a representative at the level of DG/PD to the Standing Audit Committee set up by these Ministries with a view to expedite resolution of the large number of pending Audit paras. Monitoring Cell obtained relevant updated data relating to said Ministries which was furnished to the Committee of Secretaries.

As per the directions of the Committee of Secretaries; the Secretaries of the Departments which have large pendency of Audit paras namely, Defence, Railways, Revenue (CBEC and CBDT), Health and Telecommunications attended the review meetings of the Committee of Secretaries. Subsequently, there has been significant progress in the settlement of the pending Audit paras of the said Ministries."

22. About the inclusion of Railways along with six other Ministries taken up for examination, the Secretary testified as under:

"I would like to clarify to the Committee that one of the points coming out of the Committee of Secretaries (CoS) was having Standing Audit Committees in every Ministry. Out of 70, 64 had already been constituted and presumably held meetings. The six which I mentioned were those who did not constitute it. Railways have constituted the audit Committee and they have held a meeting on 31.12.2010 and the current pendency as I see it is about 285. There are also four-five Ministries on which the CoS concentrated at the time of the meeting for reducing pendency of which Railways was one; the other being Defence, CBDT, CBEC, Telecom, Health & Family Welfare. Concentration of the CoS was to reduce the pendencies in these Ministries. Hopefully that has resulted in reducing the pendency."

23. When asked how the Monitoring Cell deals with the Chief Accounting Authority for the inordinate delays and persisting failures on the part of his/her Ministry/ Department in furnishing ATNs on CAG's Report the Ministry submitted as under:

"Earlier Monitoring Cell was corresponding regularly with the Ministries and bringing the status of pending ATNs to the notice of the Secretaries as Chief Accounting Authority. Ministry of Finance had instructed all Secretaries to Government of India *vide* OM dated 2nd August, 2010 (as reproduced (Annexure III) wherein detailed instructions for constitution of Standing Audit Committee (SAC) to be chaired by the Secretary of the Ministry were given. It was *inter alia* provided therein that the nominee of the C&AG at the level DG/PD will participate in the SAC in respect of Ministry of Defence, Ministry of Railways, Department of Revenue (CBDT&CBEC) and the Department of Telecommunication. The SAC, as a nodal agency, will monitor and review the submission of ATNs on Audit Paras on a monthly basis so as to ensure that all Audit paras are responded to within the stipulated time limit and also take appropriate remedial measures for systemic and other required changes in order to prevent recurrence of persistent irregularities pointed out in the Audit paras.

Timely submission of ATNs/ATRs has been included as one of the targets in the Result Framework Document (RFD) of each Ministry/Department as the

responsibility of the Chief Accounting Authority and assigned a weightage of two points. As a result, the Chief Accounting Authorities are paying more attention/priority to ensure speedy settlement of pending Audit paras."

24. To a specific query whether any action was ever been taken against any Chief Accounting Authorities so far, the Secretary, deposed as under:

"Subsequent to the 11th Report, in the Committee of Secretaries it was re-emphasised that each Secretary would do the follow up of it. As far as my knowledge goes, no action has been taken so far on any Secretary *per se*."

## V. COMMITTEE OF SECRETARIES

25. In their 105th Report (10th Lok Sabha) on "Follow up on Audit Reports" the Public Accounts Committee were perplexed at the fact that despite heavy pendency of Remedial Action Taken Notes in various Ministries/Departments, the Department of Expenditure did not choose to take up the matter at appropriate forum like Committee of Secretaries. However, subsequent to the evidence on the subject, the Committee were assured that in future the Secretary, (Expenditure) would be discussing the matter with the concerned Secretary whenever replies were not sent within four months and the cases involving further delays would be placed before the Committee of Secretaries.

26. When the Sub-Committee enquired whether any mechanism exists in the Ministries/Departments of the Government of India in general and in the Ministry of Finance in particular to ensure that seriousness of ATNs furnished by the Ministries is maintained by taking remedial measures that are required to be taken, the Ministry made a written submission as under:

"The ATNs submitted by Ministries/Departments are invariably approved by the respective Secretaries and incorporate remedial measures taken by the Ministries/Departments. The draft ATNs are vetted by the Audit authorities. It is only when the Audit authorities are fully satisfied with the action taken by Ministries that they convey their approval to Draft ATN submitted by Ministry/Audit. This procedure ensures that Ministries/Departments maintain seriousness about their remedial measure to be taken. However, Ministries/Departments have been advised to include pending ATNs in their Annual Report (after vetting by Audit) from the year 2010-11. In the letter issued to all Secretaries on 12th March, 2010, it has been mentioned that systems may be devised to ensure that irregularities pointed out by C&AG do not recur in subsequent cases. Further, where systemic deficiencies have been pointed out particularly in performance Audit Reports, these may be addressed promptly for remedial action, and where necessary reference may be made to this Department in a time-bound manner. Further, the progress of settlement of audit paras by Ministries are being reviewed in the meetings of Committee of Secretaries (CoS) being chaired by the Cabinet Secretary."

27. The Sub-Committee enquired from the Ministry whether the Department of Expenditure (Monitoring Cell) carefully monitors uniformity of Action Taken Notes, so that vital information/explanation is not excluded. The Ministry in reply submitted:

"Monitoring Cell examines the overall procedural requirement like submission of requisite number of copies, availability of Hindi version and whether comments of Audit have been suitably incorporated by the Ministry. However, contents of the ATNs prepared by Ministries are vetted by Audit which takes care of remedial measures and uniformity of action taken."

28. On being asked whether there were some Ministries which did not have a Monitoring Cell, the Secretary submitted:

"That is correct. The Monitoring Cell sits with the CGA's office. The Monitoring Cell *per se* is under the CGA's office and they are able to monitor the information."

29. When the Sub-Committee desired to know the exact procedure for monitoring uniformity of Action Taken Notes, the witness deposed as under:

"Normally, in all the Ministries, the work relating to the Audit paragraphs and monitoring is with the Financial Advisors (FAs) of the concerned Ministry and under him in the budget Section or in the Finance Division are the Chief Comptroller of Accounts. It varies from Ministry to Ministry. So, they are the interface points as to whom this training will be given. We will have to give training to all the persons who will be involved in all the Ministries and to all the stakeholders.

You have also mentioned about the Monitoring Cell, the status of the thing in the Ministries and on our side. As the Special Secretary clarified, the Monitoring Cell is only in the Ministry of Finance under the CGA's office. What she had referred to was that the Standing Audit Committees have not been constituted in six Ministries. But the Standing Audit Committees regularly see that there is progress in the liquidation of the pending Audit paragraphs."

30. The witness further submitted as under:

"The Standing Audit Committees are there in every Ministry headed by the Secretary so as to ensure that compliance and ATNs are submitted on time. This is the process which has been subsequently started after the last Report."

## **VI. VARIATION IN THE FIGURES RELATING TO PENDING ACTION TAKEN NOTES**

31. As per the information furnished by the Monitoring Cell, Ministry of Finance (Department of Expenditure) as on 25th June, 2010, a total of 4191 Action Taken Notes (which came down to 3099 after reconciliation) were pending with various Ministries/ Departments. An analysis of this statement reveals that in respect of the Ministry of Finance, the pendency position of ATNs was 3116 (2670 paras related to CBDT, 434 relating to CBEC and 12 relating to Department of Revenue). However, as per Audit, as on 31st May, 2010 a total of 3462 paragraphs were pending with various Ministries out of which 2397 paras alone pertained to Revenue wing comprising CBDT, CBEC and Customs.

32. When the Sub-Committee enquired whether there was any mechanism in the Department of Expenditure to periodically reconcile the figures with Audit, the Ministry submitted:

"The Monitoring Cell, of the Department of the Expenditure have been coordinating with the concerned Ministries on regular basis, requesting for reconciliation of difference in the pendency position reported by Monitoring Cell and Audit and for submission of reconciled pending status after consultation with the office of C&AG on priority basis. Monitoring Cell conducts workshops with concerned officers of 21 Ministries/Departments in the first week of October, 2010 with a view to reconcile the status of pending ATNs. Audit were separately requested to get the discrepancies in the figures of pending ATNs reconciled in consultation with concerned Ministries and to provide the reconciled status to the Department of Expenditure *vide* DO letters dated 4.11.2010 and 22.11.2010 (**Annexures IV & V**). The web-based Audit para monitoring system which is now operational will indicate exactly where the Audit para is pending so that Monitoring Cell can take up with the concerned authorities for expeditious submission to the Lok Sabha Secretariat."

33. When further pursued about the benefit that has accrued as a result of reduction of pending ATNs, the Secretary, testified as under:

"It will depend on the type of cases. I will not be able to comment on this unless I know what were the type of paras which were standing out on which action has been taken. The most tangible result would be in CBDT or CBEC where revenue issues are there."

Another witness further submitted as under:

"Essentially when we began this task with about 4000 paras, our first tasks was to get a clue as to what are those paras because we did not have too much of an idea. The reconciliation process itself gives us three or four leads where we can request the CAG authorities for a little more interactional dialogue. For example, we found that between the three primary stakeholders—the Administrative Ministries of the Government, the CAG and the Secretariat of the Monitoring Cell which works for the Lok Sabha Secretariat—we had to have a commonality in the approach of how they were defining the paras. In the process of this reduction we learnt that reporting was an issue that we needed to improve. Within the CAG there are these various auditing authorities across whom there needed to be greater commonality in the manner in which they reported.

Secondly, we realized that a lot of times within the Ministries there was a need for much greater education about the audit procedures not merely about what constitutes a civil audit report and a commercial audit report. we found that there was a mix up and therefore the larger numbers. The minute we removed the commercial Audit paras which were really not the subject matter of this PAC, we found that the numbers were more manageable for the



Ministries. The upshot of it was that we realized that on the portal we need necessarily to put down all procedural OMs. We have done that apart from providing a hyper link to the CAG's digitized audit reports. There was a fair amount of lack of understanding of the audit procedures within the Ministries that we felt after this exercise. That, in a sense, is a learning exercise."

34. When enquired about the current pending Action Taken Notes as compared with that of each of the last three years, the Ministry through a note submitted that as on 31st March, 2011 the total number of 1262 audit paras in respect of CAG reports tabled in Parliament upto the year 2009 were reported to be pending. The comparable figures of the three years (*i.e.* between 31.08.2008 to 11.06.2010) are as follows:

Table of Pending ATNs

No. of audit paras pending	As on
4216	11.06.2010
2857	15.10.2009
3042	31.08.2008

35. When the Sub-Committee desired to know about the Ministries' plan to decrease and finally nullify the number of pending Audit paragraphs and Action Taken Notes with various Ministries/Departments, the Ministry through a note stated that monitoring mechanism for speedy liquidation of pending audit paras by Ministries/Departments has been adequately streamlined with the setting up of institutional mechanism by way of constitution of Standing Audit Committee (SAC) and Action Taken Note (ATN) Adalat, review of progress in resolution of pending paras by holding meetings of Committee of Secretaries (CoS) regularly, Finance Minister and Secretary (Exp.)'s review meeting with the Financial Advisors of Ministries. It is expected that with the computerized monitoring system for timely/expeditious submission of ATNs on audit paras at the level of Monitoring Cell becoming operational, User Ministries, Audit and the PAC branch Ministries/Departments will be able to show considerable improvement in the matter of reduction of the pending Audit paras.

36. Supplementing the information, the Secretary, Department of Expenditure deposited as under:

"Another recommendation of the Committee of Secretaries was to reduce the pendency by 50 per cent every quarter and I think this has been substantially reduced. As we understand from the position in June, 2010, it was 4216 total number of ATNs pending, in September it had come down to 2284 and as on March, 2011 it is 1262. There has been substantial decrease in the pendencies and to ensure that these reconciliation of figures and finalization of ATNs and workshops, adalats what they call it ATN Adalats were to be held by the respective Ministries and about 24 Ministries have held such workshops. As a part of the recommendations some of the other initiatives have been taken by the Monitoring Cell."

37. When the Sub-Committee desired to know the reasons for the Action Taken Reports not being complied with, the Secretary, during evidence submitted as under:

"The only additional points would be initiative taken by the Monitoring Cell to help expediting the submission of ATNs. I would request my colleague to elaborate on that."

Supplementing the information, another witness of the Ministry deposed as under:

"Sir, from the side of the Monitoring Cell subsequent to the two meetings of the Committee of Secretaries which had been chaired by the Cabinet Secretary, we have been following up with the Ministries about the direct which had been set and about the reduction in the numbers which were indicated by the Cabinet Secretary. As the Secretary has mentioned the subsequent of two meetings the pending paragraphs had come down from about 4216 to 1262.

In addition to this, the Secretary (Expenditure) had also taken meeting with the Financial Advisors where he flagged this point so that it could be brought to the attention of FAs. The Finance Minister had a meeting with the FAs and he had brought this up before the Financial Advisors. He had articulated his concern, as you are well aware, over Parliamentary matters. The result of it is that there is substantial drop."

## PART II

### OBSERVATIONS AND RECOMMENDATIONS

In terms of Article 151 of the Constitution of India, the Reports of the Comptroller and Auditor General of India relating to the accounts of the Union are submitted to the President who causes to be laid in Parliament. The Reports stand referred to the Public Accounts Committee for their scrutiny. Since it is not possible for the committee to go through every issue dealt with in the various Audit Reports, it is necessary for the Committee to be selected in their approach. The Public Accounts Committee therefore, generally, select for in-depth examination only a few relatively more important paragraphs from the various Reports of Comptroller and Auditor General of India. The audit paragraphs which are not selected for detailed examination by the Committee, are dealt with by means of a well-devised procedure. As per the procedure evolved by the Public Accounts Committee in their 105th Report (Tenth Lok Sabha) with effect from 31st March, 1996, all the Ministries/Departments are required to furnish the remedial/corrective Action Taken Notes to the Public Accounts Committee through the Ministry of Finance (Department of Expenditure) on all the non-selected audit paragraphs for examination. The remedial/corrective Action Taken Notes are to be furnished within four months of the laying of the Audit Reports in Parliament.

2. As per the information obtained from the Ministry of Finance, Department of Expenditure, as on 25th June, 2010 a total of 4191 Action Taken Notes (ATNs) were pending with various Ministries/Departments. Out of the said 4191 pending ATNs, 3116 ATNs alone were pending with the Revenue Division of the Ministry of Finance (2670 of Central Board for Direct Taxes (CBDT), 434 of Central Board for Excise and Customs (CBEC) and 12 of Department of Revenue). Giving reason for the huge pendency, the Ministry *inter-alia* explained that 'considerable time is taken in collection of data/information from various autonomous bodies and attached offices which are spread across the country'. It was also submitted that besides, interministerial consultations are required in respect of some audit observations'. On the contrary, the Committee are concerned that the number of remedial/corrective Action Taken Notes pending with the Central Board for Direct Taxes (CBDT) as well as with Central Board for Excise and Customs (CBEC) has been steadily increasing. During 2006-07 in respect of CBDT, 473 paras were pending which increased to 723 during 2007-08. Similarly, in respect of CBEC, 73 paras were pending during 2006-07 which increased to 143 during 2007-08. The Ministry of Finance, entrusted with the responsibility of monitoring the pendencies of ATNs, lamentably, continues to be the largest defaulter and some of the ATNs even relate to the period prior to 1997-98. The Committee find such a situation totally unacceptable as the Committee expect the Ministry of Finance to play an exemplary role to reduce pendency of ATNs. While expressing their unhappiness over the increasing pendencies of Remedial/Corrective Action Taken Notes, the Committee recommend that the Ministry chalk out an effective and time bound procedure to reduce the pendency of ATNs on audit paras. The Committee would like to be apprised of the action taken in this regard within three months of the presentation of this report.

3. The Committee note that the figures supplied by the Ministry of Finance (Monitoring Cell) with regard to number of audit paragraphs pending with them do not tally with the figures given by the Audit. As on 25th June, 2010, the Monitoring Cell had indicated the number of pending paras as 3116 (CBDT 2670, CBEC 434 and Department of Revenue 12). However, according to Audit as on 31st May, 2010, a total of 2397 paragraphs were pending with the Ministry of Finance (Central Excise 376, Customs 280 and Direct Taxes 1741). The Committee desire that all the Ministries/Departments may be exhorted to take urgent steps to reconcile the figures in consultation with the Audit and the correct figures submitted to the Committee while furnishing the action taken replies on this Report in due course.

4. The Committee observe that there is a variation in figures between the Monitoring Cell and the Audit with regard to the cut-off date on pending Action Taken Notes with various Ministries/Departments. While the Audit compile the data on pending ATNs as on 31st May, 2010, the Monitoring Cell maintains the data as on 25th June, 2010. The difference in the month invariably leads to discrepancy on the pending ATNs. The Committee, therefore, recommend a common date may be fixed for compilation of the pending ATNs with the concurrence of the C&AG to avoid mismatch of figures. The Committee would like to be apprised of the new cut off date evolved in this behalf within three months of the presentation of this Report.

5. The Committee were informed that the monitoring mechanism for speedy liquidation of pending audit paras by Ministries/Departments has been streamlined by constituting Standing Audit Committees (SACs), regular holding of ATNs Workshop and review of progress by holding meetings of Committee of Secretaries (CoS) chaired by the Cabinet Secretary. It was further submitted that the Finance Minister hold review meetings with the Financial Advisors of the Ministries and all the Secretaries of the Ministries/Departments have been asked to personally ensure that Action Taken Notes on audit paras are furnished within the prescribed time frame. The Committee note with concern that the number of ATNs pending with various Ministries/Departments which were 2857 as on 15.10.2009, increased to 4216 as on 11.06.2010. The ATNs in respect of 1849 paras had not been furnished to the Audit by the concerned Ministries/Departments even for the first time. The Committee, however, note the optimism of the Ministry that with the constitution of Standing Audit Committee in various Ministries/Departments, the pendency of ATNs would reduce considerably. During the course of oral evidence, the representative of the Ministry informed the Committee that the pendency of ATNs stood substantially reduced from 4216 to 1262 paras as on March, 2011. The Committee hope that if such a trend is maintained, the huge pendency can be liquidated or reduced considerably. The Committee therefore recommend that strict instructions may be issued to the Ministries/Departments to set up Standing Audit Committees in case they are yet to constitute the same. Further, all the Ministries/Departments may be requested to hold regular meetings of SAC to review the pending ATNs and also to ensure that ATNs in respect of new Audit Reports are furnished to the Monitoring Cell within the prescribed time frame of four months. Further, the Committee of Secretaries chaired by the Cabinet Secretary must meet at regular interval preferably

once in three months to take stock of the pendencies and to ensure that the ATNs are invariably submitted within the prescribed period of four months after the presentation of the Reports of C&AG to Parliament.

6. During the course of oral evidence the representative of the Ministry informed the Committee that a web based Audit Para Monitoring System (APMS) had been developed and put in place which will indicate the location of the pendency and help the Monitoring Cell in tracking the pendencies. The Committee would like to be apprised of the impact of the APMS and the difference it has made in wiping out the pendencies.

NEW DELHI;  
24 April, 2012  

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4 Vaisakha, 1934 (Saka)

DR. MURLI MANOHAR JOSHI  
*Chairman,*  
*Public Accounts Committee.*

## ANNEXURE I

## Statement showing Position of Audit Paras pending with various Ministries/Departments as on 25.6.2010

S. No.	Ministry/ Department	1997-98	1998-99	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Pending Total No. of paras pending
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1.	Agri. & Coop.	—	—	—	—	—	—	—	0	0	0	2	2
2.	Animal Husbandary	—	—	—	—	—	—	—	0	0	1	—	1
3.	Agri. Res & Education/ICAR	—	0	0	0	—	—	1	—	0	4	1	6
4.	Atomic Energy	—	—	—	—	—	—	1	1	0	3	7	12
5.	C.S.I.R.	—	—	—	—	—	—	—	0	0	1	5	6
6.	Commerce	—	—	—	—	—	—	1	2	1	3	0	7
7.	Culture	2	0	1	3	1	1	8	4	6	4	—	30
8.	Defence	0	1	7	0	4	10	12	11	23	42	53	163
9.	Economic Affairs	—	—	1	—	—	0	2	1	1	3	2	10
10.	School Education	—	1	—	0	—	1	—	—	0	2	2	6
11.	Higher Education	—	—	—	1	3	0	5	2	5	6	5	27
12.	Power	—	—	—	2	—	—	1	1	1	—	—	5
13.	Information Tech.	—	—	—	—	—	—	—	—	0	2	3	5

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
14. Environment & Forests	1	0	1	1	1	1	—	—	0	2	1	2	3	11
15. External Affairs	—	—	—	—	0	—	2	1	5	1	6	9	7	31
16. Family Welfare	0	1	0	—	0	—	—	0	—	3	3	—	—	7
17. Health	2	2	2	4	4	4	3	3	7	8	5	3	8	49
18. Home Affairs	—	—	—	—	—	—	1	0	0	0	0	5	5	11
19. Ocean Development (Earth Science)	—	—	—	—	—	0	—	—	—	—	2	3	1	6
20. Information & Broad.	0	—	—	—	1	1	2	1	2	2	2	5	3	19
21. Labour	—	—	—	—	—	0	—	—	—	1	1	2	1	5
22. Legal Affairs	—	—	—	—	—	—	1	1	1	3	2	—	—	8
23. Mines	—	—	—	—	—	0	—	—	—	0	1	—	1	2
24. Expenditure	—	0	—	—	—	—	—	—	—	—	—	1	—	1
25. Posts	—	—	—	—	—	—	—	1	—	1	2	5	6	15
26. Justice	0	—	0	—	—	—	—	1	1	1	4	—	—	7
27. Public Enterprises	1	—	—	—	—	—	—	—	0	—	—	—	—	1
28. Railways	18	0	18	0	2	3	15	23	21	29	44	113	140	408
29. Revenue	3	3	—	—	—	—	1	1	0	0	1	1	2	12
30. Revenue (CBDT)	42	28	42	28	58	95	274	194	201	263	319	473	723	2670*

31. Revenue (Customs/C. Excise).	20	5	7	6	19	29	20	45	67	73	143	434
32. Rural Development/ DWS	—	0	—	1	0	—	—	—	—	3	—	4
33. Micro, Small & Medium Enterprises	—	—	0	0	0	0	0	0	2	0	0	2
34. Industrial Policy & Promotion	—	—	—	—	—	—	—	0	—	0	—	0
35. Shipping	—	—	—	—	—	—	—	3	3	4	7	17
36. Telecommunications	1	6	3	12	—	8	1	17	18	32	1	99
37. Textiles	—	—	1	—	1	1	0	0	0	4	—	6
38. Tourism	—	—	—	—	—	—	—	2	2	3	—	7
39. Tribal Affairs	1	—	1	1	1	0	1	0	2	—	1	8
40. Urban Development	13	—	0	—	0	0	1	1	0	4	5	24
41. Overseas Indian Affairs	—	—	—	—	—	—	—	—	—	1	—	1
42. Women & Child Development	—	1	—	—	1	1	—	2	2	1	1	9
43. Space	—	—	—	—	—	—	—	1	0	1	—	2
44. Human Resources	—	—	—	—	—	1	0	—	—	1	—	2
45. Food Processing Industries	—	—	—	—	—	—	—	—	—	0	0	0
46. Science & Technology	—	—	—	0	0	—	—	1	1	2	3	7



	1	2	3	4	5	6	7	8	9	10	11	12	13	14
47. Social Justice & Emp.	1				0		1	1	0		3	0		6
48. Youth Affairs & Sports								0	0	0	1	1	1	3
49.														
50.														
51.														
52.														
53.														
54. Public Transport									0	1	0	6		7
55. Civil Aviation											0			0
56. Minority Affairs											0			0
57. Statistics & PI	1				1				0	0			1	3
58. Corporate Affairs											0			1
59. Ayush							0							0
60. Fertilizers									0	0	0		0	0
61. New & Renewable Energy Sources									0	0	0	1		1
62. Chemicals & Petro-Chemicals														0
63. DSIR						0			1	0	0		1	2
<b>Total</b>	<b>106</b>	<b>48</b>	<b>88</b>	<b>130</b>	<b>294</b>	<b>329</b>	<b>279</b>	<b>294</b>	<b>412</b>	<b>533</b>	<b>824</b>	<b>1148</b>	<b>4191</b>	

\* The figures against Sl. No. 30 would be reduced from 2670 to 1578 after reconciliation of Audit paras and the total number of outstanding paras would come down to 3099 from 4191.

## ANNEXURE II

**Statement showing Consolidated status Reports on Pending Action Taken Notes and position of Audit Paras Pending with various Ministries/Departments as on 31.5.2010**

Office	Year	No. of Reports presented to Parliament	No. of Paras/PA Reports included in the Audit Report	No. of Paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	No. of ATNs not received from the Ministry even for the first time	No. of ATNs received but returned with observations and Audit is awaiting their re-submission by the Ministry	No. of ATNs which have been finally vetted by audit but have not been submitted by the Ministry to PAC	ATNs pending with Audit	Total ATNs pending
DGACE	1995-2009	—	207	96	42	35	34	0	111
ESM	2003-2009	16	58	38	9	4	7	0	20
SD	1996-2009	25	245	83	11	128	0	23	162
P & T	1998-2009	16	386	347	15	24	0	0	39
DGADS	1997-2009	13	397	335	18	19	25	0	62
PDAOF	2003-2009	11	97	63	7	4	20	3	34
PDA	1996-2009	17	367	276	07	55	0	29	91
(AFN)									
Central Excise	1997-2009	15	2581	2205	66	112	0	198	376

1	2	3	4	5	6	7	8	9	10
Customs	1996-2009	12	2446	2166	82	126	0	72	280
Direct	1999-2008	9	7981	6240	1381	190	0	170	1741
Taxes									
Railways	1995-2009	23	1489	1078	167	109	29	106	411
AB	1999-2009	—	238	103	44	54	33	4	135
Total	—	—	16492	13030	1849	860	148	605	3462

**Position of Audit Paras Pending with various Ministries/Department as on 31.05.2010**

Ministry/Department	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 17
Ministry of Agriculture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2 2
Ministry of Chemicals and Fertilizers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 0
Ministry of Civil Aviation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 0
Ministry of Coal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3 3
Ministry of Commerce and Industry	0	0	0	0	0	0	0	0	0	0	0	2	0	2	1 5
Ministry of Consumer Affairs, Food and Public Distribution Department	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 0
of Posts (Ministry of Com. & IT)	0	0	0	0	0	0	0	0	0	1	0	4	5	7	9 26
Department of Telecommunications (Ministry of Com. & IT)	0	0	0	1	0	2	1	0	0	3	2	1	0	2	1 13
Ministry of Corporate Affairs	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0 2
Ministry of Culture	0	0	0	0	1	0	0	2	0	1	3	0	2	4	0 13
Ministry of Defence	0	0	5	7	0	2	8	3	7	13	10	13	21	36	55 187
Ministry of Development of North Eastern Region	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 0
Ministry of External Affairs	0	0	0	0	0	0	0	0	1	1	4	1	5	8	8 28
Ministry of Finance	2	1	1	15	10	17	86	82	145	151	166	263	353	633	493 2418

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Ministry of Food Processing Industries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Health and Family Welfare	0	0	0	0	1	0	1	2	2	3	0	5	5	1	3	7	30
Ministry of Heavy Industries and Public Enterprises	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Home Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	4	6
Ministry of Home Affairs (UT)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	3	8
Ministry of Housing and Urban Poverty Alleviation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Human Resource Development	0	0	0	0	0	0	1	0	1	3	1	5	2	6	8	8	35
Ministry of Information and Broadcasting	0	0	0	0	0	0	0	1	0	1	1	1	3	3	2	2	14
Ministry of Labour and Employment	0	0	0	0	0	0	0	0	0	0	0	0	2	1	0	1	4
Ministry of Law and Justice	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
Ministry of Micro, Small and Medium Enterprises	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
Ministry of Mines	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Minority Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Overseas Indian Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1

Ministry of Panchayati Raj	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Parliamentary Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Personnel, Public Grievances and Pensions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Petroleum and Natural Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Power	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Railways	0	1	1	3	7	6	3	15	23	22	30	48	110	142	0	411			
Ministry of Road Transport and Highways	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Ministry of Rural Development	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	2	0	3
Ministry of Shipping	0	0	0	0	0	0	0	0	0	0	0	0	1	3	4	7	15		
Ministry of Social Justice and Empowerment	0	0	1	0	0	0	0	0	0	0	1	0	0	2	1	0	5		
Ministry of Statistics & Programme Implementation	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	3	
Ministry of Steel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ministry of Textiles	0	0	0	0	0	0	0	0	0	1	0	0	0	4	0	5			
Ministry of Tourism	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3	0	6		
Ministry of Tribal affairs	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	3		

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Ministry of Urban Development	0	7	3	0	5	0	0	1	1	3	3	3	2	7	5	40
Ministry of Water Resources	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1
Ministry of Women and Child Development	0	0	0	0	0	1	0	0	1	1	0	0	0	0	1	4
Ministry of Youth Affairs and Sports	0	0	0	0	0	0	0	0	0	0	0	2	1	2	1	6
Centre for Development of Telematics	0	0	0	0	0	0	0	0	0	1	0	1	1	0	0	3
Department of Science and Technology	0	0	0	0	0	0	0	1	2	1	2	1	1	2	3	13
Department of Atomic Energy	0	3	2	5	2	2	4	1	0	1	1	2	0	5	6	34
Department of Information Technology	0	0	0	0	0	0	0	1	1	3	1	1	0	1	3	11
Department of Scientific and Industrial Research	0	5	6	6	3	2	1	3	3	1	2	2	2	3	6	45
Department of Space	0	0	0	0	1	0	0	1	0	1	0	1	0	1	0	5
Geological Survey of India	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1	3
Indian Council of Agricultural Research	0	1	0	4	1	0	1	2	0	1	1	0	0	5	1	17
Indian Council of Medical Research	0	0	0	0	1	1	2	1	0	2	1	0	1	0	1	10
Ministry of Earth Sciences	0	0	1	0	0	0	0	0	0	0	0	0	1	2	2	6
Ministry of Environment and Forests	0	0	0	1	2	1	1	1	1	0	0	1	0	1	3	12
Ministry of New and Renewable Energy	0	1	0	1	0	0	0	0	0	0	0	0	0	1	0	3
Grand Total	2	19	21	45	35	37	110	117	193	212	238	361	526	900	638	3462

### ANNEXURE III

O.M. NO. 12(2)/E. COORD./2010 DATED 2ND AUGUST 2010 OF THE MINISTRY  
OF FINANCE, DEPARTMENT OF EXPENDITURE (E. COORD. BRANCH)

No. 12(2)/E. Coord./2010  
Ministry of Finance  
Department of Expenditure  
(E. Coord. Branch)

New Delhi, dated 2nd August, 2010.

#### OFFICE MEMORANDUM

**Subject:** Non-Submission/delay in submission of ATNs/ATRs. Constitution of  
Standing Audit Committee (SAC)-reg.

Attention is invited to this Department's O.M. of even No. dated 1st July, 2010 on the subject cited above where in it was indicated that Standing Audit Committees (SAC) would be constituted in all Ministries/Departments for which detailed instructions would be issued in consultation with C&AG. In pursuance thereof, it has been decided that the composition of the Standing Audit Committees would be (i) Secretary of the Department, (ii) Financial Advisor, and (iii) Any other member the SAC may wish to co-opt. The nominee of the C&AG at the level of DG/PD will participate in the SAC in respect of Ministry of Defence, Ministry of Railways, Department of Revenue (CBDT and CBEC) & Department. of Telecommunications. The SAC, as a nodal agency, will monitor and review on a monthly basis the submission of ATNs on C&AG's Audit Paras and ATRs on PAC recommendations and take appropriate remedial measures.

2. Further, the Terms of Reference (ToRS) of the Standing Audit Committee (SAC) will be as follows:—

- (i) The main objective of SAC will be to ensure that all Audit Paras printed in CAG's Audit Report are responded to within the time limits to be specified by the SAC concerned and in any case not later than that prescribed by CAG, and consider fixing responsibility in all cases of non-adherence to such time-limits.
- (ii) The SAC should cover the ATNs/ATRs pertaining to not only the Ministry but also its subordinate offices, PSUs and Autonomous Bodies.
- (iii) The SAC shall hold regular meetings to deal with the pending ATNs/ATRs by classifying them in any manner that they may deem fit (e.g. thematically, department-wise, age-wise etc.) in order to ensure speedy compliance.
- (iv) The SAC may also oversee the effectiveness of functioning of *Ad hoc* Committees, where these have been set up in terms of the instructions contained in the letter No. 12(9)-E Coord./84 dated 1st January, 1985 (copies enclosed), which aims at settlement of audit paras at the initial stages when it is issued through



Inspection Reports (IR). At this stage, if suitable remedial action is initiated or compliance made, it will have a positive impact of, on the one hand ensuring better governance and on the other hand saving time on dealing with ATNs.

- (v) The SAC shall ensure dissemination of the assurances given in the final ATNs so that the cases where audit contention has been accepted are promptly complied with by all concerned, in the Department and there is no recurrence of such cases.
- (vi) SAC may consider suitable incentive/disincentives to ensure settlement of pending ATNs through speedy compliance of audit observations and circulate best practices in this regard.
- (vii) SAC shall hold discussions regarding systemic and other changes that may be necessary in order to prevent recurrence of persistent irregularities coming to their notice which may require change in any rule, procedure etc. which normally do not get addressed at the lower levels leading to audit objection remaining outstanding despite exchange of replies.
- (viii) Any issues where there is difference of opinion between the Department and Audit regarding interpretation of Rules/Notification could also be discussed by SAC to reach a mutually acceptable conclusion and action for inclusion in the ATNs.
- (ix) A Nodal Officer may be appointed by the SAC to coordinate all matters relating to ATNs/ATRs.

3. All Ministries/Departments are requested to constitute the SAC immediately. A copy of the order issued in this regard may be endorsed to this Department.

Sd/-

(Madhulika P. Sukul)  
Joint Secretary (Pers.)

1. All Secretaries to the Government of India.

2. All Financial Advisers.

Copy for information to:

- 1. Cabinet Secretariat (Smt. Mala Dutt, Director), w.r.t. CoS meeting held on 17th June, 2010.
- 2. Smt. Rekha Gupta, Dy. Comptroller & Auditor General.

## ANNEXURE IV

D.O. letter No. 1/11/2010- MC dated 4th November, 2010 of the Office of the Controller General of Accounts, Ministry of Finance, Department of Expenditure

भारत सरकार  
महालेखा नियंत्रक कार्यालय  
वित्त मंत्रालय  
व्यय विभाग  
सातवीं मंजिल, 'सी' विंग  
लोक नायक भवन, नई दिल्ली-110 003

ARCHANA NIGAM  
ADDL. CONTROLLER GENERAL OF  
ACCOUNTS

GOVERNMENT OF INDIA  
OFFICE OF CONTROLLER GENERAL  
OF ACCOUNTS  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE  
7TH FLOOR, "C" WING,  
LOK NAYAK BHAVAN, NEW DELHI- 110003  
TEL. : 24690500 Fax: 24651591

D.O. letter No. 1/11/2010-MC

DATE: 4th November 2010

Dear

Please refer to Ms. Rekha Gupta, Dy. C&AG's D.O. Letter No. 138/110/Rep. (central)/2010 dated 28.10.2010 to Secy. (Exp.) regarding the meeting of COs wherein it was *inter-alia* intimated that total 2811 ATNs on CAG Paras are pending as on 20.09.2010, as per record of Audit. In this connection, I would like to mention that as per information available with Monitoring Cell, total 2284 ATNs in respect of Audit reports upto 2009 are pending against various Ministries as on 30.09.2010. Comparative statement indicating difference in pendency position has been attached. Further, in pursuance of recommendations of PAC in its 11th report of 15th Lok Sabha, Financial Advisers of all Ministries/Departments were requested in August and October, 2010 to take expeditious action to reconcile the discrepancies in the figures of pending ATNs in consultation with the office of C&AG and furnish updated reconciled pending position. Copies of Department's O.M. dated 11.08.2010 and 01.10.2010 are enclosed. This Department's O.M. of even No. dated 11.08.2010 and 01.10.2010 to you also refer.

I shall be grateful, if you could kindly look into the matter personally and arrange to get the discrepancies in the figures of pending ATNs reconciled in consultation with the concerned Ministries on priority basis and make available to us, the reconciled pending status of ATNs, Ministry-wise latest by 18.11.2010, to enable us to prepare Action Taken Report on the PAC recommendations contained in the 11th Report of PAC ( 15th Lok Sabha).

Regards

Yours Sincerely

Sd/-

(Archana Nigam)

Smt. Subha Kumar  
Principal Director (Report Central)  
O/o the C&AG of India,  
9, Deen Dayal Upadhyay Marg,  
New Delhi-110024

## ANNEXURE V

D.O. letter No. 1/11/2010- MC dated 22nd November, 2010 of the Office of the Controller General of Accounts, Ministry of Finance, Department of Expenditure

ARCHANA NIGAM  
ADDL. CONTROLLER GENERAL OF  
ACCOUNTS

भारत सरकार  
महालेखा नियंत्रक कार्यालय  
वित्त मंत्रालय  
व्यय विभाग  
सातवीं मंजिल, 'सी' विंग  
लोक नायक भवन, नई दिल्ली-110 003  
GOVERNMENT OF INDIA  
OFFICE OF CONTROLLER GENERAL  
OF ACCOUNTS  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE  
7TH FLOOR, "C" WING,  
LOK NAYAK BHAVAN, NEW DELHI- 110003  
TEL.: 24690500 Fax: 24651591  
DATE: 22nd November 2010

D.O. letter No. 1/11/2010-MC

Dear

Please refer to this Department's O.Ms of even No. dated 11.08.2010 and 01.10.2010 regarding reconciliation of discrepancy in the figure of pending Action Taken Notes on C&AG Paras in pursuance of the PAC recommendations contained in its Eleventh Report (15th Lok Sabha). As you are aware, PAC have expressed displeasure over the variation in the figures of pending ATNs which need to be reconciled between Audit and Ministries/Departments to arrive at a precise figure. I would like to inform that as desired by PAC, the progress made in this regard needs to be incorporated in the Action Taken Note of Monitoring Cell of the Department and copies of ATN on the 11th report of PAC, duly vetted by Audit is required to be sent to PAC latest by the extended timeframe *i.e.* by 09.12.2010. Copies of list of Pending Audit paras as on 30.09.2010 in respect of C&AG reports upto 2009 as per data available with Monitoring Cell as well as the list provided by Audit as pending as on 20.09.2010 (including current Paras) in respect of your Ministry/Department are enclosed for ready reference.

I shall be grateful, if you could kindly look into the matter personally and arrange to get the discrepancies in the figures of pending ATNs reconciled in consultation with the office of C&AG on priority basis and make available to us reconciled pending status of ATNs, latest by 26.11.2010 positively to facilitate preparation of Action Taken Note. Concerned Under Secretary/Section Officer may be deputed to Monitoring Cell alongwith reconciled pending status of ATNs (year-wise/para-wise) latest by 29.11.2010.

Regards

Yours Sincerely

Sd/-

(Archana Nigam)

1. Concerned Financial Advisers of 14 Ministries/Departments where major difference in the figures of pending ATNs have been noticed (as per list attached).
2. Shri S. Kumar, Commissioner (PAC), CBEC (Central Excise) Hudco Vishala Building.
3. Shri S.K. Gotru, Director (CBDT) Hudco Vishala Building.
4. Shri R.P. Singh, Director CBEC (Customs) North Block.

Copy to:

Ms. Shubha Kumar for necessary action w.r. to DO letter dated 04.11.2010.  
Principal Director (Report Central)  
O/o of the C&AG of India, 9, Deen Dayal Upadhyay Marg,  
New Delhi-110024

Sd/-

(Archana Nigam)

## ANNEXURE VI

D.O. LETTER NO. 2/5/2009-MC DATED 9TH JUNE, 2011 OF THE MINISTRY OF FINANCE, DEPARTMENT OF EXPENDITURE, OFFICE OF THE CONTROLLER GENERAL OF ACCOUNTS, MONITORING CELL

No. 2/5/2009-MC  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE  
OFFICE OF CONTROLLER GENERAL OF ACCOUNTS  
MONITORING CELL

LoknayaK Bhavan, Khan Market,  
New Delhi, 9th June, 2011

**Subject:** Examination of Non-Compliance by the Ministries/Departments in timely submission of Action Taken Notes on Non-selected C&AG paras—Meeting of Sub-Committee-I of PAC held on 20.4.2011.

During the meeting of the Sub-Committee-I of PAC held on 20.4.2011, Sub-Committee-I desired information regarding issuance of a letter from Monitoring cell of the Department of Expenditure requesting for deletion of PAC paras. The following position is submitted:—

- (iv) As per existing practice and direction in terms of Lok Sabha Secretariat OMs forwarding copy of the PAC report to concerned Ministry/Department; the Action Taken Reports on PAC recommendations (duly vetted by audit) are required to be sent to PAC Branch of the Lok Sabha Secretariat directly by the concerned Department within the stipulated period of six months. The role of Monitoring Cell in the Department of Expenditure is limited to reconciliation and updating of the status of pending PAC paras. ATRs on PAC reports are not submitted through the Monitoring Cell.
- (v) There was a need to update the status of pending PAC paras in connection with the review meetings of the Hon'ble Finance Minister and Secretary (Exp.) with Financial Advisors and meeting of the Committee of Secretaries. In the process, it was noted that 21 old pending PAC paras (7 paras pertaining to 8th Lok Sabha (1986-90) in respect of Department of Land Reforms and 14 paras pertaining to 9th (1990-91) & 10th (1992-96) Lok Sabha in respect of CBEC of the Department of Revenue) were pending as per record of Monitoring Cell.
- (vi) During informal inquiry it was learnt from the Committee Officer of the concerned PAC Branch that as per their record, these paras were not pending. Accordingly, a formal communication was sent to PAC Branch seeking confirmation from them that the said paras were not pending in the records of that office. The intention was to ascertain the existing status of outstanding paras for the purpose of reconciliation and record and not to request PAC Branch of Lok Sabha Secretariat for deletion of the said 21 PAC paras pertaining to Department of Revenue and Department of Land Resources.

3. However, the miscommunication is deeply regretted and the observations of the Sub-Committee-I of PAC have been noted for further compliance.

Sd/-

(Sh. C.R. Sundaramurti)  
Controller General of Accounts

Lok Sabha Secretariat  
(PAC Branch)  
Parliament House Annexe,  
New Delhi.

## APPENDIX I

### MINUTES OF THE EIGHTH SITING OF SUB-COMMITTEE-I ON "NON-COMPLIANCE BY THE MINISTRIES/DEPARTMENTS IN TIMELY SUBMISSION OF ACTION TAKEN NOTES ON THE NON-SELECTED PARAGRAPHS OF THE C&AG OF INDIA" OF PUBLIC ACCOUNTS COMMITTEE (2010-11) HELD ON 20TH APRIL, 2011

The Sub-Committee-I of the Public Accounts Committee sat on Wednesday, the 20th April, 2011 from 1430 hrs. to 1800 hrs. in Main Committee Room, Parliament House Annexe, New Delhi.

#### PRESENT

Shri Bhartruhari Mahtab - *Convener*

#### MEMBERS

*Lok Sabha*

1. Shri Naveen Jindal
2. Dr. K. Sambasiva Rao
3. Shri Kalraj Mishra

#### SECRETARIAT

1. Shri Abhijit Kumar - *Director*
2. Shri Sanjeev Sharma - *Deputy Secretary*

#### Representatives of the Office of the Comptroller and Auditor General of India

1. Shri Anupam Kulshreshtha - *Deputy C&AG (Revenue Audit)*
2. Ms. Meenakshi Gupta - *Director General (Direct Taxes)*
3. Shri Shourjo Chatterjee - *Director (Direct Taxes)*
4. Ms. Subha Kumar - *Principal Director (Report Central)*

#### Representatives of the Ministry of Finance

##### A. Department of Revenue (CBDT)

1. Shri Sunil Mitra *Secretary (Revenue)*
2. Shri Sudhir Chandra *Chairman*
3. Smt. Poonam Kishore Saxena *Member & Spl. Secy (A&J)*
4. Shri R.N. Dash *DG IT (International Taxation)*
5. Shri S.K. Mishra *JS (FT&TR)*
6. Shri R.K. Yadav *Commissioner (A&J)*
7. Smt. Promila Bhardwaj *DIT (International Tax)*
8. Shri Shravan Gotru *Director (PAC)*

9. Shri Narender Kumar Addl. DIT (International Taxation)

**B. Department of Revenue (CBEC)**

10. Shri S. Dutt Majumder Chairman  
 11. Shri S. Kumar Commissioner (PAC)  
 12. Shri Himanshu Gupta Commissioner (Service Tax)  
 13. Shri Deepankar Aron OSD to Chairman (EC)  
 14. Shri Shobhit Jain Director (Service Tax)  
 15. Shri Naresh Yadav Inspector (PAC)

**C. Department of Expenditure  
(Monitoring Cell)**

16. Ms. Vilasini Ramamchandran Special Secretary (Expenditure)  
 17. Shri C.R. Sundramurti Controller General of Accounts  
 18. Smt. Madhulika P. Sukul Joint Secretary  
 19. Shri Pradeep Rao JS&F (Department of Expenditure)  
 20. Ms. Poonam Goenka Vice President (Technical), IAPL

2. At the outset the Convener Sub-Committee-I of the Public Accounts Committee deliberated upon Memorandum No. 2 containing the request for seeking approval of the Committee for deletion/striking off a total number of 114 paragraphs from the consolidated list of pending Audit Paras. The Committee wanted to discuss this matter with the officials of C&AG. However, the official of CAG were not available at that time.

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3. Thereafter, the Convener, Sub-Committee-I of the Public Accounts Committee, welcomed the representatives of the Office of the C&AG of India to the sitting of the Sub-Committee. The Audit Officers and the Secretariat briefed the Sub-Committee on the various issues concerning the subject on 'Non-compliance by the Ministries/ Departments in timely submission of Action Taken Notes on the Non-selected Paragraphs of the C&AG of India'.

4. \*\*\*

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5. \*\*\*

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6. After a brief break, the Sub-Committee sat again and welcomed the officers of the C&AG (Report Central) of India. The discussion was held on Memorandum No. 2 stating the request forwarded to the Committee for deletion/striking off a total number of 114 paragraphs from the consolidated list of pending Audit Paras. The officers of the C&AG stated that a formal reply regarding this issue would soon be communicated to the Committee.

7. After this discussion, the Convener welcomed the representatives of the Ministry of Finance, Department of Expenditure (Monitoring Cell) and called for their explanation to the Committee on their position regarding Non-compliance by the



Ministries/Departments in timely submission of Action Taken Notes on the Non-selected Paragraphs of the C&AG of India. The Ministry apprised the Committee of the initiatives taken by them in ensuring the timely submission of remedial action taken notes by respective Ministries/Departments. The Convener directed the representatives of the Ministry to furnish written information to the questions which they could not answer or answered partly during evidence.

8. The Convener then thanked the representatives of the Ministry of Finance for appearing before the Sub-Committee and for furnishing information in connection with the examination of the subjects. The Convener also thanked the officers of the C&AG of India for providing valuable assistance to the Sub-Committee in the examination of the subjects.

A copy of the verbatim proceeding has been kept on record.

*The Sub-Committee then adjourned.*

## APPENDIX II

### MINUTES OF THE TWENTY FIRST SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2011-12) HELD ON 24TH APRIL, 2012

The Public Accounts Committee sat on Tuesday the 24th April, 2012 from 1500 hrs. to 1600 hrs. in Room No. '51' (Chairman's Chamber), Parliament House, New Delhi.

#### PRESENT

Dr. Murli Manohar Joshi — *Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Anandrao Vithoba Adsul
3. Shri Bhartruhari Mahtab
4. Shri Shripad Yesso Naik
5. Dr. Girija Vyas

#### *Rajya Sabha*

6. Shri Prasant Chatterjee
7. Shri Prakash Javadekar
8. Prof. Saif-ud-Din Soz

#### SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri Abhijit Kumar — *Director*
3. Shri D.R. Mohanty — *Deputy Secretary*
4. Smt. A. Jyothirmayi — *Deputy Secretary*

#### **Representatives of the Office of the Comptroller and Auditor General of India**

1. Shri A.M. Bajaj Pr. Director, Audit
2. Ms. Geetali Tare Pr. Director, Audit
3. Ms. Sudha Rajan Director

2. At the outset, the Chairman welcomed the Members and the representatives of the Office of the Comptroller and Auditor General of India to the sitting of the Committee. Apprising the Members that the meeting had been convened to consider and adopt four Original Draft Reports of the Committee, the Chairman desired that the said Reports be taken up one by one for consideration for appropriate incorporation of the views, if any, of the Members therein.

3. Accordingly, the Committee took up the following Draft Reports for consideration and adopted the same:—

- |  |     |     |
|--|-----|-----|
| (i) ***  | *** | *** |
| (ii) ***   | *** | *** |
| (iii) <b>'Non-compliance by the Ministries/Departments in timely submission of Action Taken Notes on non-selected Audit Paragraphs 2010-11'</b> relating to the Ministry of Finance; and |     |     |
| (iv) ***   | *** | *** |

4. The Committee, then, authorized the Chairman to finalise the Draft Reports in light of the factual verifications, if any, received from Audit and present the Reports to the House on a date convenient to him.

5. The Chairman thanked the Members for their cooperation and active participation in the discussions. He also thanked the representatives of the Office of the C&AG for their valuable inputs and assistance to the Committee in the examination of the subjects. The Committee also appreciated the hard work put in by the Secretariat in drafting and finalising 25 Reports during the current term of the Committee.

*The Committee, then, adjourned.*

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\*\*\* Matter not related to this Report.