

001/VGL/5
Government of India
Central Vigilance Commission

Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023
Dated the 25th April 2001

To

- (i) Secretaries of all Ministries/Departments of Government of India.
- (ii) Chief Executives of all PSEs/Public Sector Banks/Insurance Companies/
Autonomous Organisations/Societies.
- (iii) CVOs of all Ministries/ Departments / Public Sector Undertakings/
Organisations.

Subject: Tackling corruption through a proper follow up of audit reports.

Sir,

Audit is an important tool available for proper control of organisations and the office of the Comptroller and Auditor General (CAG) has been envisaged as the body established for carrying out the necessary checks and reporting of irregularities. It has, however, been observed by the Commission that in response to CAG reports, apart from replying to the office of CAG and to the Public Accounts Committee, no serious effort is undertaken to identify the officials responsible and to initiate disciplinary proceedings, where warranted. As a result, the audit exercise remains an unfulfilled one and irregularities continue to be repeated.

2. The Commission has been in correspondence with CAG on this subject and it has been decided that all serious cases of malpractices reported by the CAG which have a perceived vigilance angle would be sent to the Commission for examination and follow up action.

3. However, this does not absolve the Ministries, Departments and other organisations of their administrative responsibility. It has, therefore, been decided that, in future, all audit reports should be examined by the administrative head to identify the officials responsible for the lapses. Initiation of disciplinary action should be the objective of this examination and the matter is to be referred thereafter to the CVO for complying with the procedure stipulated. Any audit report on which it has been decided that no action is to be initiated is to be furnished, within three months of receipt, to the CVO for a further examination. The CVO is to furnish quarterly data to the Commission about such cases.

This is issued for strict compliance by all concerned.

Yours faithfully,

Sd/-
(C.J. Mathew)
Deputy Secretary