

*For use in Indian Audit and Accounts Department only*

**MANUAL**  
**OF**  
**REPORT(Civil) SECTION**  
**(Revised Edition 2017)**

Issued by:

The Accountant General (General and Social Sector Audit), Madhya Pradesh, Gwalior

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## PREFACE


This is the third revised edition of the Manual of Report (Civil). Relevant instructions and orders up to March 2017 have been taken into consideration.

This Manual is a compilation of instructions contained in various Codes, Manuals and Instructions issued by the Comptroller and Auditor General of India. This Manual should not be quoted as an authority in any correspondence outside this office.

Utmost care have been taken for revising the Manual, however, there may be some omissions in compilation. Suggestions in this regard may be brought to the notice of Report (Civil) section which is responsible for keeping this Manual up to date.

Suggestions for improvement are always welcome.

**GWALIOR**  
**Dated: 30.03.2017**

  
**(Saurabh K. Mallick)**  
**Accountant General**  
**(General & Social Sector Audit)**  
**Madhya Pradesh, Gwalior**

## Chapter – I

### General – Constitution, Control and Functions

#### 1.1 Constitution of Report Sections

The Report sections of the office of the Accountant General (General and Social Sector Audit) are under the direct charge of the Accountant General vide paragraph 1.14.1 of the Comptroller and Auditor General's Manual of Standing Orders (Administrative) Vol.-I (Third Edition).

While all important matters are submitted to the Accountant General cases/papers of routine nature are, however, disposed of by Sr. Audit officer (s), Assistant Audit Officer (s) made responsible for the proper working and efficient management of the sections.

#### 1.2 Manpower and Control

The work is divided into two sections, viz. Report (G&SSA) and Report (PAC). The present strength of the sections is 1 Sr. Audit Officer, 2 Assistant Audit Officer and 7 Senior Auditors/Auditors. The requirement of staff is claimed on adhoc basis. Sr. Audit officer supervise the work of the sections.

#### 1.3 Duties and Responsibilities of Report Sections

The work of Sections, each in the charge of an Assistant Audit Officer is divided as under:

##### **Report (General and Social Sector Audit) Section**

- Examination, processing and finalization of draft paragraphs pertaining to the departments under General and Social Sectors, submit draft paragraphs to the Headquarters' office after their approval by the Accountant General;
- Attend Headquarters' office queries on draft paragraphs and resubmit them along with replies thereof to H.Q.;
- Preparation/ Compilation of the Audit Report on General and Social Sectors of Government of Madhya Pradesh and all other work connected therewith;
- To prepare Hindi version of the Report ;
- Arrangement for their printing and submit them to the Headquarters' office for approval;
- Submit countersigned copies of the Report to the Finance Department/Governor for being laid on the table of the State Legislature;
- Issue Press Note and release Press Briefs;

- Preparation, compilation and printing of Epitome/Handbook on C&AG's Reports on General and Social Sectors;
- To ensure safe keeping of backup of the Draft Bond Copy of the Audit Report (G&SSA) and the finally approved Bond Copy of Audit Report (G&SSA) in the form of C.D. The C.D. of finally approved Bond Copy/Print Copy of the Audit Report are kept as permanent record while the C.D. of Draft Bond Copy is preserved until the printing of the Report ;
- Revision and updation of Manual of Report section; and
- Perform any work relating to the Audit Report as ordered by Accountant General.

#### **Report- PAC (G&SSA) Section**

- The preparation of the Memorandum of important points on the Report for discussion in the Public Accounts Committee and also render such other assistance to the Public Accounts Committee in discharge of the responsibilities as may be possible and required by them;
- Watching the action taken by the State Government on recommendations of the Public Accounts Committee (State) on the Audit Reports; and
- All matters relating to Committee on Public Undertakings (COPU) in respect of paragraphs pertaining to the Madhya Pradesh Housing and Infrastructure Development Board.

#### **1.4 Calender of Returns**

It shall be maintained as envisaged in paragraph 19 of M.S.O. (Administration) Vol.-I, (presently Paragraph 1.15.1 of MSO (Administration) Vol.-I, Third Edition) for observance of due dates prescribed for the various items of work and submitted to the Branch Officers on every Monday.

A list of important returns due from the sections is given in **Appendix-1.1**. It shall be submitted to the Principal Accountant General/Accountant General on 15<sup>th</sup> of each month.

#### **1.5 Manual Correction Register**

Assistant Audit Officer, Report Section shall be responsible for keeping the Manual up to date. Instructions and decisions of permanent nature relating to this Manual will be incorporated in the Manual with full reference to the number and date of the letter, the case etc. The draft correction slips will be approved by the Pr. A.G./A.G.

A register of corrections shall be kept in which duly approved and typed copies of the correction slips should be placed. The correction slips will be printed periodically.

## Chapter -II

### Layout and Content of Report

#### Layout and content of Report of the Comptroller and Auditor General of India on General and Social Sectors, Government of Madhya Pradesh

#### 2.1 Introduction

Audit Offices in States and Union Territories have been restructured with effect from 2<sup>nd</sup> April 2012 and after restructuring the audit of the entire state is with one ADAI.

It has been envisaged that the Audit products for a particular year would flow from the Audit Plan and should be identified at the stage of audit planning keeping in view the Perspective Plan for IA&AD. While the audit products need not be limited to a predetermined number, the Reports may inter alia include the following:

##### **PAG/AG (General and Social Sector)**

- (i) Audit Report on State Finances
- (ii) Audit Report on General and Social Sectors
- (iii) Audit Report on General and Social Sectors (PSUs)\*
- (iv) Audit Report on Local Bodies
- (v) Stand alone Reports on District-centric audits, Department-centric audits, schemes /programmes/IT audits/any particular theme, if any.

##### **PAG/AG (Economic and Revenue Sector)**

- (i) Audit Report on Economic Sector
- (ii) Audit Report on Revenue Sector
- (iii) Audit Report on Economic and Revenue Sectors (PSUs)\*
- (iv) Stand alone Reports on District-centric audits, Department-centric audits, schemes/programmes/IT audits/any particular theme, if any.

\* The sectoral reports on the functioning of PSUs may be combined into one at the discretion of the ADAI.

***(Authority: H.Q. letter No.243-Rep(CR)/Restructuring/2011-12 dated 23 April 2012)***

After restructuring of Audit Offices, the revised Audit Plan for the year 2012-13, Government of Madhya Pradesh, was approved by the Head Quarter and the following audit reports in respect of Office of the Accountant General (General and Social Sector Audit) were finalized:

- (i) Audit Report on State Finance
- (ii) Audit Report on General & Social Sector (Non-PSUs)



Further in the light of SMUs Office Order No. 168-SMU/PP/Restructuring/5-2011 dated 18 April 2012 and 85/SMU/PP/Reorganisation/5-2011 dated 12.3.2013, it has been decided that the Audit Report on Local Bodies will be prepared instead of ATIR for the year 2014-15 (Annual Audit Plan 2015-16) and the same has been approved by the C&AG.

It has been decided that, the material of paras relating to PSUs falling under the jurisdiction of O/o The Accountant General (General and Social Sector Audit) worth incorporation in the Audit Report would be sent to O/o The Accountant General (Economic and Revenue Sector Audit) for inclusion in the draft Audit Report and follow up action and discussion etc. It was also decided that Sr.DAG/Economic Sector Audit III would attend the COPU meeting in respect of paras relating to PSUs falling under the jurisdiction of O/o The Accountant General (General and Social Sector Audit).

*(Authority:- No.OAD(M)/Re-stu-AP12-12/Quary/D-86 dated 21.6.2012, CAG's letter No.766/CR/MP/Audit Plan/24/2011-12/243-2012 dated 14 September 2012 and D.O. letter No.74 dated 8.6.2012, CAG's letter No. 528-532/CR/Local Bodies/Annual Report/68-2015, dated 16.4.2015)*

## **2.2 Title of the Report**

The Audit Report was captioned as "Report of the Comptroller and Auditor General of India for the year ended .....(Civil) Government of Madhya Pradesh", with effect from the Accounts of 1969-70.

*(Authority: CAG's letter No. 2237-Rep/78-80, dated 4.12.1970)*

From the year 2012-13 Audit Report was captioned as 'Report of the Comptroller and Auditor General of India on General and Social (Non-PSUs) Sectors for the year ended March ..... Government of Madhya Pradesh' Report No ..... of the year.....

*(Authority:- CAG's letter No.99/PPG/8-2012 dated 26.3.2012)*

Vide Headquarters letter No. CR/AR/MP/GSS/Bond Copy/53-2016, dated 07.03.2017 Bond Copy of Audit Report for 2015-16 has been approved by HQ as, "the Bond Copy of the Audit Report on General and Social Sectors-Government of Madhya Pradesh for the year ended 31 March 2016." Accordingly the caption of the Report has been modified from 2015-16.

## **2.3 Table of Contents and Appendices**

Table of contents showing chapter wise details, paragraph number and page number and details of appendices showing appendix number, particulars and page number are to be given after title of the Report.

The table of contents should indicate the title (Caption) of the various paragraphs in the Report alongwith the name of the departments. The arrangement of departments in a chapter and of all paragraphs under a department may be decided keeping in view, the importance of reviews/ paragraphs included.

*(Authority: CAG's letter No. 720/Rep/202/77, dated 22 September 1977)*

The page numbering of Table of Contents and Overview will be in consecutive numbers as (i), (ii), (iii), (iv) and so on.

The first page of the Report shall start from page 1 in Chapter 1.

*(Authority: CAG's letter No. 1678-Rep (C)/99-87/Vol I, dated 18.09.1998)*

## **2.4 Preface**

The preface is essential to convey to the reader of the purpose and scope of the Report. Preface of the Report should be given after table of contents and appendices.

The draft preface applicable to the Report dealing with General & Social Services sectors is as follows:

### **PREFACE**

This Report for the year ended March (the relevant year) has been prepared for submission to the President/Governor of (Name of state) under Article 151 of the Constitution of India.

The Report contains significant results of the performance audit and/or compliance audit of the Departments of the Union Government/Government of (Name of the state) under the (Economic/General and Social services) including departments of (name of the departments covered in the report). However, departments of (name of the departments not covered in the report) are excluded and covered in the Report on (General and Social Services/Economic Services).

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period (relevant financial year) as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to (relevant financial year) have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

*(Authority:- CAG's Circular No.70-PPG/44-2013 dated 4 April 2014)*

## **2.5 Overview**

From the report for the year 1986-87 and onwards, the following instructions are to be followed for preparation of 'Overview' in the State Civil Audit Report of the Comptroller and Auditor General of India.

- (i)** The contents of the "Overview" should be lucid, accurate, brief but comprehensive and well drafted without any parenthesis, etc. and of such phraseology which the Public and the Members of the Parliament/Legislature can easily understand.
- (ii)** The paragraph numbering in the Overview should be in Arabic viz. 1, 2, 3, 4 and so on. Cross-reference to the relevant paras of the main Report should be given in the Overview.
- (iii)** The Overview should contain brief of only those paragraph/reviews having vary significant audit findings. It is not necessary to mention all the paragraphs/review therein.

- (iv) The Overview will invariably be printed in coloured pages and coloured pages should be used only for overview.

**(Authority : C&AG's letter No. 1678-Rep(c)/99-87/Vol.I, dated 18 September 1988)**

- (v) The narration of the Reviews in the Overview should start with a brief description of the scheme/programme and the main audit conclusions.
- (vi) "Overview" of the Audit Report should give a clearer picture of the performance of the Government /Department during the year and highlight the factors responsible for the poor/better performance.

**(Authority : C&AG's letter No. 1174-Rep(s)/90-99, dated 14.12.2001)**

- (vii) The introductory paragraph of the 'Overview' should mention the number of Paragraphs and Performance audits / Reviews included in Audit Report and total money value.

**(Authority: CAG's letter No.158-164CR/Rep/Co-ordn/Ch-I/Overview/AR-GS&ESA, dated 28.01.2014)**

## **2.6 Allotment of numbers to Audit Report and new design for front/back cover of Audit Report (State Government)**

In order to bring uniformity in allotment of numbers and design of Audit Report of State Government, the following system of numbering and design of front and back cover of Audit Reports has been approved by Headquarter:

### **I. Allotment of Numbers to Audit Report**

- All Audit Reports to be presented in the State Legislature during a financial year will have unique number allotted on 'first come first basis' irrespective of whether it is a Finance Audit Report, Compliance Audit Report or Performance Audit Report (including Stand-alone PA Reports).
- Unique numbers would be given as per calendar year i.e. audit reports are to be numbered on 'first come first basis' with reference to calendar year (i.e. from 01 January to 31 December) in which these are approved by CAG irrespective of the year to which the same relate. Thus a report for the financial year 2010-11, approved by CAG in the calendar year Jan 2012 to December 2012 would be CAG's Report No..... of 2012. The reference to the accounting year to which it relates will be given in the Front cover of the report.
- The new numbering system came into force w.e.f. April 1, 2012. As such, the numbers already allotted to the Audit Reports will remain unchanged.

### **II. Design of front/back cover of Audit Report (State Government)**

The colour and design of the front/back cover of the Audit Reports (State Government) has been modified and the new specifications are tabulated hereunder:

Sl. No.	Title	Remarks
1	Colour	
	Colour front and back page	All reports of the CAG except the Stand-alone PA report Cream/off white with Maroon border In case of Stand-alone PA reports: The colour of front and back page can be decided as per the discretion of Pr.AGs/AGs concerned with the approval of concerned ADAI.
2	Design (Front Page)	
	State Emblem (National)	On the top (centrally aligned in Red colour).
(i)	Title of the report e.g. Report of the Comptroller and Auditor General of India on (Title of the Report, if applicable) for the year ended March....	The title of the report would be placed just below the State Emblem as centrally aligned.
(ii)	Logo of IA & AD	In the Middle of the page in water mark and would be placed below the title of the report as centrally aligned in 3" X 3" size.
(iii)	Logo of concerned State Government	Logo of the concerned State Government would be placed below the Logo of IA & AD as centrally aligned in 2" X 2" size.
(iv)	Below the Logo of concerned State Government	Name of the State Government e.g. Government of <name of the state>
(v)	Number of the report	Report number would be printed below name of the state Government as centrally aligned in relatively smaller font.
3	Spine of the Report	Name of the State Government and Report No. "..... Of the calendar year....."
4	Back Cover	(i)In the middle of the page "Comptroller and Auditor General of India" (Centrally Aligned) and <a href="http://www.cag.gov.in">www.cag.gov.in</a> just below it also as centrally aligned. (ii)In the bottom the web site address of the concerned field office.
5	Front inner page	
(i)	On the top of the page	Report of the Comptroller and Auditor General of India on (Title of the Report, if applicable).
(ii)	In the middle of the page	For the year ended March.....(Centrally Aligned)
	In the bottom of the page	Name of the State Government..... Report No.....of the calendar year.....(As centrally aligned)

The Sample of the new cover page is given in **Appendix-2.1**

*(Authority:- CAG's letter No.99/PPG/8-2012 dated 26.3.2012)*

### **2.6.1 Allotment of numbers to the Union Audit Report and State Audit Reports**

In partial modification of PPG letter Nos. 96/PPG/8-2012 dated 19.03.2012 and 134 /PPG/8-2012 dated 24.04.2012 regarding allotment of numbers of the Union Audit Reports and PPG letter No. 18-PPG/8-2012 dated 26.03.2013 regarding allotment of numbers to the State Audit Reports the policy for numbering the Audit Reports belonging to the Union and the State has been revised with the approval of the competent Authority as under:

- (2) All the Audit Reports (irrespective of their nature and including the report on State Finances) approved by the C&AG of India and to be laid in the Parliament or the State legislature as the case may be, will be allotted unique number sequentially on First Come First Serve basis with reference to each Calendar Year separately for the union and each of the State. In case of Audit Report on State Finances, number will be assigned to the reports pertaining to FY 2015-16 onwards.
- (3) Each Audit Report will be recognized by the number 'X' assigned to it sequentially with reference to the calendar year 'YYYY' in which Bond Copy is approved by the C&AG of India.

*(Authority: PPG letter No.100/8-PPG-1/2012 dated 04.03.2016)*

### **2.6.2 Quick Response Code**

Quick Response Code (QR Code) may be affixed to all our publications including Audit Reports, Epitomes and Press Briefs for suitable uploading on to mobile/other browsers.

QR Code may be prepared and printed in the form of stickers so that it could be easily affixed on the Audit Reports/Epitomes/Press Briefs as and when the Audit Reports are uploaded in the website after placement in the Legislature. This will also ensure the secrecy of the Audit Reports.

*(Authority: HQ's letter No.218/CR/Coordn/Report/WS/23-2012 dated 14.02.2017 and HQ's letter No.255/CR/Coordn/Report/WS/23-2017 dated 22.02.2017)*

## **2.7 Uniform format for the Report**

To adopt a uniform format for the report, the following points may be kept in view while finalizing the draft audit report:

- An 'Overview' of the entire report may be given in the beginning of the report, as is being done presently.
- 'Highlights' forming a part of the introduction of the performance reports may be discontinued. Instead an executive summary may be given describing the department to which the review pertains and the significance of the topic. This format could be used for the 'thematic' paras also.

- Conclusions/recommendations should not be given after every sub-part of a review as has been observed from some of the draft reports. These may be added only at the end of the review.
- Charts, tables and graphs may be utilized to increase the readability of the report.
- All data must contain a reference to its source.
- All tables and charts may be numbered.
- All appendices should bear a reference to the para number of the Report where it has been alluded to.
- The report must be accompanied with a certificate regarding the ‘accuracy’ and ‘correctness’ of the Key Documents, from an officer not less than rank of a Deputy Accountant General.

*(Authority: CAG’s letter No.748/Rep(S)-IV/Coord./2011-12 dated 30.11.2011)*

## **2.8 Structure of State Audit Report**

The structure of the Report of the Comptroller & Auditor General of India on Social Sector (Including PRI & ULBs), General Sector and Economic (Non-PSUs) Sector to be adopted from the Audit Reports for 2011-12 is to be as given under:

The Report will contain Chapter-1 Introduction, Chapter-2 Performance Audit, Chapter-3 District Audit, Chapter-4 CCO-based Audit and Chapter-5 Audit of Transactions. The Chapter on Performance Audit (PA) will also cover PA on small schemes generally called as long paragraph. The Chapter on Audit of Transaction will also cover the theme based transaction audits.

*(Authority: CAG’s letter No 819 Rep/CR/Structure of ARs/2012 dated 28.9.2012)*

## **2.9 Instructions regarding preparation of Chapter-I “Introduction”**

The Chapter-I ‘Introduction’ will be placed after the ‘Overview’. It will contain the following:

- (i) Para 1.1 Budget profile (for last five years)
- (ii) Para 1.2 Application of resources of the State Government
- (iii) Para 1.3 Persistent savings (during the last five years)
- (iv) Para 1.4 Funds transferred directly to the State implementing agencies
- (v) Para 1.5 Grants in aid from Government of India
- (vi) Para 1.6 Planning and conduct of audit
- (vii) Para 1.7 Lack of response of Government to Inspection Report paragraphs.
- (viii) Para 1.8 Response of Government to significant audit findings
- (ix) Para 1.9 Follow-up of Audit Reports.

- (x) Para 1.10 Recoveries at the instance of Audit
- (xi) Para 1.11 Status of placement of Separate Audit Reports of Autonomous Bodies in the State Assembly.

**(Authority: CAG's letter No 158-164/CR/Rep/Co-ordn/Ch-1/Overview/AR-GS&ESA dated 28 January 2014)**

## **2.10 Instructions regarding preparation of Epitome on Audit Reports**

The epitome presents at a glance, a summarized version of the important issues included in the Audit Reports. Endeavor should be made to keep contents of epitome as close to original reports.

The epitome should be sent to the Headquarters Office along with batch material and CD for approval. The epitome duly approved by ADAI (RS) is returned to PAG's/AG's office along with CD. The facts and figures mentioned in the Epitome should be rechecked with the Audit Report before translation in Hindi and sending it for printing.

**(Authority:- CAG's letter No. 1022-Report(S)/249-2005, dated 6.9.2005)**

**The main points of checklist prescribed for preparation of Epitome of CAG's Audit Reports are as given under:**

- (i) There shall be a mention of CAG's web site on the cover page of the Epitome;
- (ii) The boxed "Highlights" should not be carried over to second page but restricted within the first page;
- (iii) The 8 pages (maximum) may be used to bring in the significant audit findings. The highlights ( with due modifications, if necessary) of all the reviews as per Bond Copy and gist of only important and significant audit observation under transaction audit may be taken in the Epitome ; and
- (iv) The inner-back cover should contain the details of contact persons.

**(Authority: C&AG's letter No. 1145-Roport (S)/58-2007 dated 22.10.2007)**

To promote cognitive value and brand equity of the Audit Reports it has been decided to standardise the design and size of the epitome. The size/shape of the epitome has been approved as detailed below:-

- The booklet on epitome should be of the size of 5.5" x 8.5" in hard/soft cover like the booklet printed on Guidelines on CCO Based Audit.
- National emblem should be in the centre at the top of the front page.
- Logo of the department should be on the top left of front page and as per the instructions issued vide this office letter No 31-Audit (JMT & AR)-232-2010 dated 7<sup>th</sup> March 2011.
- Name of the Report/Scheme should be at centre of the front page and should carry the name of the field office at the bottom of the front page.
- In the inner page it may be made clear that the volume is based on statutory reports of C&AG relative to that specific state.

- The design of the cover page may be decided by the field offices ensuring that it is not very loud and if possible may depict essence of the report.

The above instructions may be adhere to strictly.

*(Authority: CAG's letter No 133-Audit (AP)/32-2008 dated 5.4.2011)*

The snapshot views/summarised versions of the press clippings regarding Audit Reports may be incorporated in the Epitomes prepared by the Office.

*(Authority: CAG's letter No 494/CR/Co-ordn/AAP 2016-17/130-2015/V01.II dated 6.4.2016)*

### **2.11 Clarification regarding printing of Noddy Books/Epitomes of Audit Reports**

Noddy books and epitomes are essentially abridged versions of Audit Reports containing a digest of important findings in the form of small and handy booklets. Regarding policy of printing Noddy Books/Epitomes, Headquarter has clarified that:

1. The abridged versions of the Audit Report serve a very useful purpose and need to be continued. It has been decided with the approval of the CAG that Noddy books should be compulsorily printed for all Performance Audit Reports.
2. Additionally, in order to accomplish the objective of achieving a wider outreach and facilitate easy accessibility of our audit products ubiquitously to a wider range of stakeholders, abridged versions of Audit Reports may be digitally put out on the CAG website as video podcasts/slide show broadcasts or in any other manner while uploading the full Audit Report. The decision to put out abridged versions of Audit Reports on the CAG website may be taken by the respective DAI/ADAI on a case to case basis considering the nature of audit and the significance of audit finding. All Audit Reports have to be compulsorily uploaded on the CAG website.
3. The new CAG website provides for uploading video podcasts/slide show broadcasts containing the salient features and important findings contained in our Audit Reports apart from enabling linkages with social media.

*(Authority: PPG letter No 210/24-PPG/2013 dated 27.5.2016)*



## Chapter -III

### Preparation of State Audit Report

#### General instructions regarding preparation and finalization of Report of the Comptroller and Auditor General of India on General and Social Sector

#### 3.1 General Instructions for preparing draft paragraph

##### *3.1.1 Procedure for collection of material for Report of the C&AG of India and submission of the draft paragraph*

Every year the Report section should issue an office order in May/June indicating the various statistical and other information to be furnished for incorporation in next Audit Report. The office order should be specific indicating the various sections of the office of the AG (G&SSA) that should furnish the required material and the due dates therefore, while drafting the office order, the instructions of the Headquarters on the previous Audit Report should be kept in mind.

As soon as cases of irregularities, losses, etc. noticed in the course of audit, inspection, or otherwise, become ripe for inclusion in the Audit Report, draft paragraphs should be prepared by the Audit sections concerned and submitted for the approval of the Principal Accountant General /Accountant General through the Deputy Accountant General/Senior Deputy Accountant General concerned. While drafting paragraphs for inclusion in the Report of the Comptroller and Auditor General, the Assistant Audit Officers and the Audit Officers should see that, if there has been a serious failure of Audit on the part of this office it is frankly acknowledged.

The Group Officers concerned should be actively associated with all stages of draft paragraphs, viz., preparation, examination of department's replies, as well as consideration by the Public Accounts Committee. All the draft paragraphs prepared by sections should be put up through their group Sr. Deputy Accountant General/Deputy Accountant General direct to the Principal Accountant General/Accountant General. After orders are passed by the Principal Accountant General/Accountant General on those paragraphs, they are sent to Report section, which will further deal with them (for instance, issue them to Government, advise the Principal Accountant General /Accountant General whether a paragraph on the same matter has recently appeared in the Report of the Comptroller and Auditor General or not, point out previous instructions if any, of the Comptroller and Auditor General about draft paragraphs on the subject in question, etc. When replies to the draft paragraphs are received by Report section from Government/Head of Departments, the Report section should endorse copies to the concerned Deputy Accountant Generals and obtain necessary comments on the replies and after receipt of comments, the Report section will examine the case and put it up to Principal Accountant General / Accountant General for orders.

*(Authority: CAG's DO letter No. 928-Rep/146-70-I, dated 16 May 1970 ).*

In the light of the Comptroller and Auditor General's instructions contained in letter No. 928-Rep/146-70 dated 16 May 1970 the following working arrangement was decided:-

- (i) The Report section may examine the paragraphs on the lines of the existing practice and consider how far the paragraphs are sustainable or whether a paragraph on the same matter has recently appeared in the Audit Report etc.
- (ii) Keeping in view the instructions and requirements of Comptroller and Auditor General of India, Report section can submit alternate draft paragraphs or suggest modification for AG's consideration.
- (iii) The finalization of Chapters, etc. need not be submitted to the group officers because this is merely a matter of edition of the Report.
- (iv) As regards the replies received from the departmental authorities to the draft paragraphs issued to them, these will be referred to the respective Deputy Accountant General where the department has contested the facts or advanced new arguments requiring a reconsideration of the paragraph, where, however, the department has accepted the contents of the paragraph and does not adduce anything substantial in its replies, there may not be any need to refer these replies to the Deputy Accountant General.

*(Authority: Accountant General's orders, dated 30 June 1970).*

### **3.1.2 Selection of material and instruction for drafting paragraphs**

The instructions regarding the selection of material and drafting of paragraphs for the report are contained in Section VII, Chapter III of MSO (Audit) (Edition 2002). Further instruction of the Comptroller and Auditor General of India in this regard are as follows:

#### **(1) While drafting paragraphs it should be ensured that:**

- (i) The paragraphs are not very lengthy and do not include unnecessary material;
- (ii) They give all relevant information with dates where necessary and lay correct emphasis on the exact points to be brought out in the paragraphs;
- (iii) All words and phrases likely to cause resentment or unpleasantness are avoided;
- (iv) The paragraphs are worded in detached and dispassionate language so that the facts speak more than comment;
- (v) The words 'Audit comments' or the qualifying words such as 'Audit thinks that' or the 'Audit comments on' are not used;
- (vi) The circumstances in which the irregularity occurred and the circumstances in which the department took certain action are brought out in the Report give a fair appreciation of the cases commented upon;
- (vii) The draft paragraphs indicate the administrative point of view and why it was not wholly or partly acceptable to Audit; and

- (viii) Each paragraph distinctly bears a reference to the chapters of the Report it is meant for.

*(Authority: CAG's Circular letter No 780-Rep/175-71, dated 12 May 1971)*

**(2) Cases of contemporary interest should be included**

Whether a particular draft paragraph is to be included in the Report or not is to be decided with reference to two considerations, viz. the amount and the age of the case as a rule, only such cases which are likely to have contemporary interest should be included.

*(Authority: CAG's Do letter No. 1064-Rep/102-70 dated 15.06.1970)*

**(3) Exact system lapse should be indicated in paragraph**

Every paragraph proposed for inclusion in the Audit Report should indicate exact system lapse or nature of dereliction of the responsibility center due to which an irregularity, loss or fraud occurred. All paras should also suggest the steps required to be taken for rectifying errors or improving the system or for fixing responsibility.

*(Authority: CAG's letter No.25Rep (S)/257-2003 dated 16.03.2004)*

**(4) Instances of extra expenditure**

Social efficacy rather than instances of extra expenditure should be considered as important subject matter for comment in the Reports.

*(Authority: CAG's letter No. 160-Rep(C)/59-2004 dated 1.7.2004)*

**(5) Non inclusion of certain Audit ostentations**

Audit observations on which government has taken satisfactory action and also suitable remedial measures to set right the lacunae in procedure, etc, need not be included in the Audit Report unless they are so important that it is considered necessary to bring them to the notice of Legislature.

*(Authority: CAG's General circular letter No. 11, No.1204-Rep(S)/76-82 dated 30.7.1982)*

**3.1.3 Quality of draft paras/LDPs and draft Performance Audit Report**

The following may be kept in view while sending the audit report material to Headquarters office:-

- The field offices should keep the length of the material to minimum required for conveying the audit observations.
- The PAG/AG may ensure that the material is of such quality that it is in 'Ready to Print' stage at the first journey stage itself.
- Given the limited resources at Headquarters focus of Headquarters would be to basically examine, if the logic of observations is in order.

*(Authority: CAGs letter No.742/CR/208-2012 dated 27 May 2014)*

The following suggestions were made by H.Q. for improving the draft PAs/LDPs for the State Audit Reports:-

- The number of audit objectives should be limited to 4 or 5 in case of PAs and 3 or 4 in case of LDPs.
- Exit conference should be conducted for both PAs and LDPs, after the completion of audit. Views of the Departments and Government both on audit conclusions and recommendations are required to be incorporated in the PAs and LDPs.
- The size of PAs and LDPs should be not more than 25 pages and 10 pages respectively (in 1.5 line space).
- The recommendations should be specific and actionable avoiding general statements.

*(Authority:- CAG' D.O.No. 1239/CR/Rep/Co-ordn/PA & LDP/AR 2013-14 dated 12-8-2014)*

### **3.1.4 Monetary value limit applicable for draft paragraphs**

The money value limit for DPs for the Civil Sector Reports has been revised to ₹ 75 lakh. In exceptional cases if the PAG/AG feels a para of smaller money value should be included in the Report based on detailed justification, respective ADAIs can take a view on its inclusion in the Reports. In case of DPs involving fraud and embezzlement money value would not be a criterion.

*(Authority: CAG's letter No. 501-507/Rep/CR/Co-ordn/MV of DP/2014 dated 16.04.2015)*

### **3.1.5 Attributing money value to paragraphs**

Adequate care should be exercised while attributing money value to the paragraphs and money value should not be attributed in the following cases:

- Diversion of funds;
- Excess/Savings/Surrenders;
- Pendency in receipt of utilization certificates;
- Time over run and cost overrun;
- Unspent funds/funds lying in civil deposits/Banks;
- Curtailment of central assistance;
- Unrealized revenue/outstanding loans;
- Event noticed by the department;
- Statistical information used in support of audit comment;
- Any other area where no audit effort is involved.

The money value should be calculated as given in **Appendix 3.1** and vetted at Group Officer level before the material is sent to Headquarters Office.

*(Authority: CAG's Do No. 1207 Rep(s)/271-2007 dated 16.11.2007)*

### **3.1.6 Weighted (Matrix)/Value of Audit paragraph**

With a view to improving the appropriateness of criteria for deciding the weighted value of audit para, the matrix identity, money value and weighted money value should be indicated in marginal box as per parameters given in **Appendix 3.1.**

*(Authority: CAG's letter No Rep(s)/718-Rep(s)/252-2003 dated 16 June 2005)*

## **3.2 Instructions for drafting of the Report**

### **3.2.1 Style Guide for drafting the Report**

Para 7.3.29 of Chapter 3 of Section VII of MSO (Audit) provides that as the Audit Reports are intended for Parliamentarians/Legislators, press and citizens, the language used in them should be intelligible to an ordinary reader. The Reports should present a clear and correct account of issues involved in a plain language so that a person not versed in intricacies of audit and accounts may be able to easily understand the financial implications. For this, instructions contained in the aforesaid Manual and in the Style Guide as issued by the Headquarters office should be followed right from the Draft Para stage.

*(Authority: CAG's letter No. 170-Audit (DP)/8-2003 dated 25 November 2003, CAG's letter No. 113-Audit (DP)/6-2003 dated 27 August 2003, CAG's letter No. 215-Audit(AP)/6-2003 dated 3 December 2004)*

### **3.2.2 Balanced reporting in the presentation of Audit Reports**

Comptroller and Auditor General of India has emphasized that the principles of balanced reporting should be adopted in presentation of Audit Reports.

Audit findings and conclusion should not only be based on relevant and sufficient evidence but also be presented in an objective, fair and non-partisan manner. In this regard, instructions of H.Q. are as follows:

- (i) Apart from deficiencies/shortcomings/ lapses, the positive contribution of audited entities should also be mentioned in the Performance Audit Reports, wherever possible.
- (ii) The use of words "tenable" and "irregular" may be discontinued while rebutting the views of the Management/ Government.

Instead, expressions such as

- (a) The reply does not explain why..... or
- (b) The reply is not in consonance with..... or
- (c) The reply is contrary to..... or
- (d) The reply does not correctly interpret.....etc. may be used.

Besides, the rebuttals should always be in the form of a reasoned argument.

*(Authority: CAG letter No. 154/Rep(C)/AB/Misc/ 2008 dated 04.11-2008)*

### **3.2.3 Graph-Charts and Photographs**

In order to make the Report more effective and facilitate better understanding graphs, charts, maps, diagrams, sketches and photographs may be included at appropriate places.

*(Authority: CAG's circular letter No. 720-Rep/202-II dated 2.9.1977 and Para 27 of CAG's DO No.1453-Report(C)/99-87 dated 17 August 1987)*

### **3.2.4 Auditing Standards**

To ensure compliance of Auditing Standards with reference to the Audit Reports, it should be clearly certified as follows in the Audit Report that the audit in relation to the materials included in it has been conducted in accordance with the Auditing Standards:

“It is certified that the audits have been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India”

This certificate may be incorporated either in the “Preface” of the Audit Report or in the “Audit Certificate” at appropriate places.

*(Authority: CAG's letter No.105-Audit(AP)/4-2007 dated 25 June 2007)*

### **3.2.5 Fraud and Corruption**

Fraud is an intentional act by one or more individuals among management, those charged with governance, employees or third parties involving the use of deception to obtain an unjust or illegal advantage. It involves deliberate misrepresentation of facts and /or significant information to obtain undue or illegal financial management. Corruption involves behaviors on the part of official in the public and private sectors, in which they improperly and unlawfully enrich themselves and/or those close to them or induce others to do so by misusing the position in which they are placed. It is the abuse of public power for personal gain or for the benefit of a group to which one owes allegiance.

The responsibility for the prevention and detection of fraud and error rests primarily with the management of the audited entity through the implementation and continued operation of accounting and control system designed to check fraud. Audit must, however, evaluate and report on the adequacy of the systems in place and competence with which the management has discharged its responsibility in relation to prevention, detection, response and follow up/remedial measures in relation to fraud and corruption.

Cases relating to fraud and corruption or suspected/presumptive fraud and corruption should be specially highlighted in the Audit Reports and printed in bold fonts.

While forwarding the Bond Copy of the Audit Report to Headquarters, the AG should indicate in the forwarding letter the number of cases of fraud and

corruption included in the Report together with the money value of the concerned paras. In the submission note of the file relating to the bond copy, the number of cases of suspected, presumptive fraud and corruptions in the Reports should be highlighted together with the money value of concerned paras.

*(Authorily-Director General (Audit) letter no. 126/2004datd 6 September 2006)*

### **3.2.6 Documentation**

Personal attention is to be taken by the Principal Accountant General/ Accountant General in the drafting of the Audit Report by affecting a qualitative change therein so as to ensure that effective efforts were made and the material collected were sufficient enough to give the optimum result.

### **3.2.7 Other Instructions**

- Space is to given between the word “Principal Accountant General/Accountant General” and “Counter Signed” and also between “Counter Signed” and “The Comptroller and Auditor General of India” on the Counter signed and “The Audit Report” as per annexure 3 referred to in paragraph 7.3.53 of MSO (Audit ) Second edition 2002 and shown in **Appendix 3.2.**

*(Authority: CAG’s circular letter no. 204-Reports (s)/4-86 dated 5.2.1987)*

- **Uniformity in the use of Capital and small letters in the official publications**

The need to have uniformity in the use of capital or small letters for the various terms and expressions used in our Audit Reports and our departmental publications has been recognized and the broad principles to be adopted for this purpose are spelt out below-

- (i) As a general rule, capital letters at the beginning of words occurring in the middle of sentences should be avoided and the general preference should be to use small letters;
- (ii) Capital letters should be used wherever a term is used to refer to a specific object (e.g. a particular fund, department, document, schemes etc.);
- (iii) The term 'grants' appropriations etc. should begin with letters of the lower case i.e. small letters. However, when any specific grant or appropriation is mentioned, capital letters should be used e.g. grant No. 42, Roads and buildings;
- (iv) The usage of capital and small letters as shown in the Constitution of India, budget documents, demands for grants etc. of the central and state governments, should be adopted;

- (v) Capital letters should be used for government only when referring to the full legal title, used a proper noun or as a political decision making unit e.g. Government of India, Government of Bihar; and
- (vi) The names of Acts passed by parliament and legislatures should be used exactly as notified in the gazettes, with capital letters at appropriate places.

These principal may be strictly followed while editing Inspection Reports, audit notes, draft paragraph, Audit Reports and other departmental documents. An illustrative guide on usage of capital letters is given in **Appendix 3.3**.

*(Authority: CAG's General circular No. 9 No. 387-Rep(s)/7-97 dated 31 March 1997)*

- **Uploading of the Audit Reports material on CAG's website**

New website of CAG's is [www.cag.gov.in](http://www.cag.gov.in) and the earlier website viz. [www.cag.nic.in](http://www.cag.nic.in) and [www.cagofindia.org](http://www.cagofindia.org) have been discontinued, the address of the new website may be shown in all the Audit Reports/other documents related to CAG's website.

*(Authority: CAG's letter No. 894 CA-II/ cordon/ Misc/02-03/32-2003 dated 25-11-2005)*

- **Instruction regarding the monetary figures**

ADAI (C&SCs) has ordered that the existing instructions regarding the monetary figures in descriptive part including overview, highlights and side/top gist of bond copy of Audit Reports (Commercial)/Commercial chapters of Audit Reports (Civil) 2002-03 and onwards as indicated below may be followed.

- (a) Amount below ₹ 50 lakh may be expressed only in lakh.
- (b) Amount of ₹ 50 lakh and above may be expressed in crore.

*(Authority: CAG's letter No. 617/CA II/398-99/KW dated 23-7-2003.)*

- **Period of preservation of Audit Reports**

The period of preservation of records pertaining to Audit Report has been prescribed as under:-

**Audit Reports of State Government-** Permanently, in respect of their own States; Five years in respect of other States (one set only).

**Audit Report of Central Government-**Permanently (one set only).

*(Authority: CAG's letter no. 2016-T.A II/336-64 dated 14-12-1964.)*

### **3.3 Dispatch of draft paragraphs to Government**

After approval by the Principal Accountant General/ Accountant General the draft paragraphs should be sent to the Principal Secretary/ Secretary to the Government in the Administrative Department by name, with a copy endorsed to Heads of Departments and to the Finance Secretary. No copies need be endorsed to any of the subordinate officers below the rank of Heads of Departments.



A time limit of six weeks is allowed for comments. If no reply is received, a demi official reminder may be issued. If this demi-official reminder is not replied to within one month of its issue, the correctness of the fact may be assumed. Modifications to the paragraphs that might be found necessary as a result of the remarks of the Government or otherwise, should be got approved by the Principal Accountant General/Accountant General.

*(Authority: A.G. Andhra Pradesh circular letter No. A&E-II-I Vol.3/15 dated 13 April 1961 addressed to AGMP).*

- **Instruction regarding reply from the Ministries/Department on draft paragraph**

A normal period of six week is given to the Ministries/Departments for the acceptance of facts and figures and giving comments, if any, on the draft paragraph/ reviews issued to them. In case, no reply is received within a period of six week, a mention is generally made in the draft paragraph/reviews that the reply of the Government is awaited.

It has been decided that instead of using the words "Reply from the Government is awaited" the words "Reply from the Government has not been received" may please be indicated in the draft paragraph / reviews to be forwarded to Headquarters office.

*(Authority:- CAG's latter No. 2522-Rep (C) / 86-87 Vol-I dated 9 December 1987)*

- **Forwarding of draft paras/reviews to Government/Departments for comments**

Under the present system, draft paras and draft reviews proposed for inclusion in the Audit Report (Civil) are forwarded to the State Government and the Departments concerned for their comments. However, the final paras after incorporation of their replies are not sent back second time to the Government/Departments.

It has been decided that the final draft paras/reviews should be sent to Government/Departments whenever substantive changes are made in the para in the light of the replies received and they will be requested to respond within 10 days. A summary of their replies may be included in the Report, but need not be rebutted.

*(Authority: CAG's letter No. 1354-Rep(s)/149-2001-dated 21.10.2003).*

### **3.4 Submission of batch material to Headquarters Office for Audit Report**

The draft paragraphs proposed for inclusion in the Report should be sent to the Comptroller and Auditor General of India in triplicate treating them as confidential, keeping in view the following instruction:

(i) The draft paragraphs should be submitted to Comptroller and Auditor General for scrutiny well in advance, as soon as they are ready, irrespective of whether they have been accepted by the Administration or not. There should be preliminary exchange of correspondence with the heads of

department /State Government before draft paragraphs are sent to Headquarters even in the first stage. The object is that the draft paragraphs should, in the first stage itself, be more or less complete.

**(Authority: CAG's letter No. 2222-Rep/350-58, dated 4 October 1958 and DO No. 625/Rep-88-72 dated 1 April 1972 ).**

**(ii)** In case of draft DP's either the DPs themselves or at least the forwarding letters should be signed by the PAG/AG or DG/PD. In case of replies to the headquarters queries, if those are sent at group officer's level, they must carry the assurance that the replies have been approved by the PAG/AG or DG/PD.

**(Authority: CAG's UO No. 8-Rep(c)/38-Misc/2005-06, dated 9 January 2006 ).**

**(iii)** All draft paragraphs sent to the Comptroller and Auditor General in advance should be typed in half margin with double space between the lines and atleast one copy should be on thick paper.

**(Authority: C&AG's DO No. 1580-Rep/226-61 dated 3 August 1961)**

**(iv)** In very important cases where it is felt that necessary background material would be helpful for better appreciation of the case, a 'brief' giving the background material and more facts of the case should be sent with the draft paragraph. The "brief" should be confined to very important cases for, as far as possible the draft paragraphs themselves should contain all the relevant facts necessary for affording a proper and dispassionate appreciation of the points sought to be commented upon.

**(Authority: C&AG's letter No. 305-Rep/106-66 dated 14 February 1967)**

**(v)** In order to facilitate early disposal of material and to avoid delays in finalization, the following procedure is to be adopted.

- (a) Draft paragraphs and draft reviews may be sent in separate batches.
- (b) A batch of draft paragraphs should not include more than ten draft paragraphs.
- (c) Each draft review should be considered as a batch, unless the draft reviews are too small for a batch. However, the all India and coordinated State level reviews, proposed by Headquarters office should be sent under individual batches to facilitate check or coordination in coverage etc.
- (d) Each batch should be sent duly stitched and not forwarded in loose sheets. These sets are required for examination in Headquarters office.

**(Authority : C&AG's General Circular No. 08-Rep(s)88, No. 351-Rep(s) 15-88 dated 21 March 1988)**

**(vi) Time Schedule**

Time schedule for submission of batch material for the Audit Report is fixed by Headquarters office. There should be no bunching of the material at the end of target dates. Tentative dates for submission of DPs and reviews, discussion

of draft Audit Report and submission of bond copy to CAG are intimated by Headquarter.

### **3.5 Proclamation of President's rules in a State-Submission of a report to Headquarters Office**

(1) It has been decided that in future, whenever a State goes under President rule, the AG concerned should send a report to the Headquarters office inter-alia bringing out the following:-

(i) Position as contemplated in the proclamation regarding laying the Report of the Comptroller and Auditor General of India before the State Legislature.

(ii) Information about Report signed by the Comptroller and Auditor General of India and presentation to the Government but awaiting presentation to the Legislature.

(iii) Latest position of discussion by State Public Accounts Committee of Reports pending with and of the Public Accounts Committee reports finalised but not presented to the Legislature, etc.

(2) A copy of the Gazette notification containing the presidential proclamation may also be enclosed with above report.

*(Authority : C&AG's letter No. 1412-Rep/267-70.XIV, dated 29-9-1971)*

(3) As per note given under para 7.4.5 of Chapter 4 of M.S.O. (Audit), when a state is under President's rule, the procedure to be followed for submission of C&AG's Audit Report is the same as that applicable in respect of the Union Government Audit Report.

(4) It has been decided by the Government of India in the Ministry of Finance that whenever President's Rule in a state is extended beyond one year, the C&AG's Report relating to the state would be placed in Parliament (vide DO No. F6(9)-(R)/94 dated 22.06.1994 of Ministry of Finance Department of Economic Affairs).

### **3.6 Action on queries of Headquarters' Office**

#### **3.6.1 Replies to comments on draft paragraphs**

In dealing with comments of Comptroller and Auditor General, the following procedure should be followed:

(i) If the information required for answering the comments is readily available in the file concerned, the comments should be answered by Report section itself and submitted to Accountant General for approval. If, however, all the required information is not available, the comments should be copied against the paragraph concerned by Report section and the file transmitted to the originating section for answering the comments of Comptroller and Auditor General. The originating section shall, after obtaining the required information, wherever necessary and possible, answer the comments and return the file to Report section after

approval by the group officer for getting the approval of the Accountant General.

- (ii) Detailed replies to the comments of the Comptroller and Auditor General are necessary only when some specific point requiring clarification of a principle or procedure is involved. The paragraphs may be suitably amended by the Accountant General to bring out the factual position correctly and completely based on the comments of the Comptroller and Auditor General of India.

*(Authority: C&AG's letter No. 1703-Rep/48-631, dated 12 September 1963)*

### **3.6.2 Draft annotated Chapter**

After all the batches of draft paragraphs have been vetted by the Comptroller and Auditor General, the material should be arranged in the form of chapters after taking into account the remarks of Comptroller and Auditor General and the replies of the departments. Replies to the remarks, queries, etc. of Headquarters should be properly annotated in the draft chapters. The replies should be linked with the relevant portion of the paragraph by a guide mark and the portion of figures revised or modified in view of the remarks of Headquarters on receipt of replies from the Department/Government should be so indicated in office notes recorded in the margin or on the facing page, three copies of each chapter duly annotated should be sent to the Comptroller and Auditor General for scrutiny.

*(Authority : C&AG's letter No. 826-Rep/102-70, dated 5 April 1970 and para 6 of letter 780 Rep/175-71 dated 12 May 1971).*

### **3.6.3 Draft Audit Report for approval**

After all the Chapters have been vetted by the Comptroller and Auditor General, the complete draft report should be prepared for approval of the Comptroller and Auditor General of India. All the paragraphs should be brought upto date in respect of the information, which they contain. No new paragraph should be included at annotated chapter/final draft Report stage. The draft Report for approval of the Comptroller and Auditor General should be sent to Headquarters office duly typed in double space leaving one third margin on one side of paper after obtaining approval to the individual draft chapters of the Report. Three copies of complete typed Report should be sent to Headquarters office duly annotated alongwith Prefatory remarks, overview etc.

The Comptroller and Auditor General had noticed that there is sufficient scope for improvement in the quality of Audit Reports. It is necessary that paras/reviews should have audit findings. Lengthy and unnecessary narrations mostly historical and not directly relevant to the audit finding or superfluous statistical data must be scrupulously avoided. Narrations if any, which have a bearing or relation to the conclusion, sought to be brought out, should only be incorporated. Brevity and clarity can go together and the effort should be to condense the material without losing essential points.

*(Authority: C&AG's DO letter No. 480-Rep(s)/136-86, dated 15/20 April 1987)*

The Comptroller and Auditor General has further reiterated that accuracy, brevity, clarity and purposiveness should be the hall mark of the Audit Report. The Audit findings should be significant and there should be improvement in tone and content of the Report. Effort should be made to simplify the language of presentation, reduce use of passive voice and complex sentences; avoid verbosity, brackets, parenthesis, extraneous information etc.

*(Authority : para 17 and 18 of C&AG's DO letter No. 1453-Rep(c) 99-87, dated 14/17 August 1987)*

### **3.7 Interface between the PAG/AG and State Administration for discussion of audit findings before inclusion in the Audit Report**

To eliminate any factual inaccuracies or differences in point of view and also to enable Audit to appreciate the departmental view, the draft paragraphs proposed for inclusion in the Audit Report are discussed by the Secretaries to the Government of Madhya Pradesh with the AG concerned wherever necessary.

*(Authority : C&AG's letter No. 151 dated 21 August 1969 addressed to all Secretaries of Ministries)*

In cases where replies to draft paragraphs/reviews are abnormally delayed by departments of the Government and where the offers of discussion do not get any response it would be desirable to bring such cases to the notice of Finance Secretary.

Further, in order to bring such abnormal delays to the notice of Public Accounts Committee an omnibus draft paragraph may be proposed bringing out cases of abnormal delay in receipt/non-receipt of replies to draft audit paragraphs/reviews.

*(Authority: C&AG's letter No. 1890-Rep/1980-81 dated 21 December 1981)*

CAG of India DO letter No. 75-Audit (AP) 8-2003 dated 24 May 2004 had suggested to all State Chief Ministers that an institutional arrangement should be put in place wherein the Chief Secretary and the concerned administrative Secretaries can meet when the Draft Audit Report is ready and discuss the issues raised in the Audit Reports with the PAG/AG and his officers so that the views of the Government could be effectively included in the Audit Reports.

*(Authority: C&AG's DO letter No. 1067-Rep(s)/237-2004 dated 7 October 2004)*

**In cases where no reply have been received from the State Government on the Draft Audit Paras/reviews issued to them by the PAG/AG the instructions given hereunder should be followed:**

- (a) As soon as the Draft Audit Report is ready for submission to Headquarters office, the PAG/AG may address the Chief Secretary of the State bringing out the position of non-receipt of replies from the State Government/ or Department together with summary of facts relating to the paras in the proposed Audit Report.

- (b) Copy of the letter sent to the Chief Secretary may be invariably endorsed to ADAI concerned.
- (c) In the annual letter from CAG addressed to the Chief Minister of the State, a para containing reference to the above letter issued to Chief Secretary should be incorporated. This will bring to the notice of Chief Minister the number of cases AG had requested for reply, to which no reply was received from the State Government.

*(Authority: C&AG's letter No. 69-Audit(AP)/8-2003 dated 28-3-2005)*

**Note:** Practice of forwarding CAG's DO letter to the Chief Minister of the State has been discontinued vide HQ's letter No. 16/CA-II/Coordn/Ref from other wings/48-2009 dated 30.01.2012.

### **3.8 Discussion of the Draft Audit Report**

The ADAI's (CR) and his team holds discussion on draft paras and reviews with Principal Accountant General/Accountant General on the already intimated dates. Key documents of draft paras and reviews are verified by the team, before the discussion and the Report subsequently discussed. The paras are amended after incorporating further observations of the team.

### **3.9 Submission of the Bond Copy to the Headquarter Office**

After discussion with the ADAI, Bond Copy of the Audit Report is sent to the Headquarter Office for the C&AG's counter signature alongwith a soft copy (CD) for putting the Report on the CAG's website. The bond copy is counter signed/ approved by the CAG after completion of all the required formalities by the Headquarter's Office.

According to the instruction included in Headquarter Office letter No.56/Rep(S)-III/Co-2010 dated 16.6.2010, ADAI has desired that the bond copy submitted to Headquarters should be a zero error report. All the PAGs/AGs are requested to pay special attention to processing and finalization of the audit report material at each stage.

### **3.10 Return of approved bond copy of Audit Report from the Headquarter Office**

On receipt of the Bond Copy of the Audit Report duly counter signed/approved by the C&AG, all facts and figures contained therein should be rechecked as the Report as well as the Overview may have under gone extensive revision at various stages. During checking, it should be ensured that there was no discrepancy of any kind between Overview/Highlights and the text and that the facts, statements, tables and graphs/pictures are mutually consistent. The money/matrix value indicated in the margin of the Reviews and Paragraphs is not intended to be included in the Report and be deleted before sending the Report for translation/printing.

### **3.11 Instructions regarding Confidentiality of Audit Report**

According to the existing instruction, audit Reports are treated as confidential documents till they are presented to Parliament/State Legislature. Accordingly,

all material relating to the Audit Reports will be treated as strictly confidential right from the stage of issue of preliminary draft paragraphs to Government/Departments till the final stage of presentation to the Parliament/Legislature. Headquarters office letter No.1752/Reports/256-68 dated 2-9-1968 has provided that Audit Reports are to be treated as confidential documents till these are presented to Parliament/State Legislature.

Adequate care should be taken at every stage to see that the Audit Report materials are secured against use by the outsiders till they are presented to the Legislature. The draft paras/draft reviews which are also considered as confidential, should be marked invariably as confidential in order to maintain secrecy, while sending them either to the Headquarters office for approval or to the Government of India, State Government departmental offices etc. for verification of facts or calling for comments.

These instructions are to be strictly followed by all the officers/ staff connected with the Audit Report work for ensuring that the information contained in the Audit Reports are not accessible to the Press, Public or any outside agencies.

Any breach of the instructions should be viewed seriously.

**(Authority: C&AG letters No. 155-Audit (AP)/8-2003 dated 30 October 2003).**

The issue of maintenance of confidentiality of the Audit Reports was further reconsidered by HQ and it has been decided that in order to maintain confidentiality/secrecy of draft Audit Reports and the material for Audit Reports, the following points should invariably be practiced:

- (i) The confidentiality may be claimed once a conscious decision is taken by the Head of the Department in the field office to develop any audit observation whether in the form of Draft Para/Long para/Review etc. for probable inclusion in the Audit Report.
- (ii) Any such material and records relating thereto should have restricted access and placed in password protected computers. The level up to which the access to report material is to be provided should be decided by the Head of the Department in the field offices. The ultimate responsibility for confidentiality would remain with the Head of the Department.
- (iii) A confidentiality statement (**Appendix 3.4**) should be got signed from those dealing with the report material (including outside parties engaged for design and printing of report) and placed on record.
- (iv) All the pages of the material decided to be processed for inclusion in Audit Report should be marked as Confidential and issued to the Audited Unit or Administrative Department/Government in Sealed Cover with a remark "To be opened by addressee only".
- (v) While forwarding the draft material to the audited unit or concerned Administrative Department/Government for verification of facts and figures mentioned in the draft material for Audit report and for eliciting their comments thereon, it should categorically be mentioned that views expressed in the material so issued are interim and may

change depending upon the response of audited unit or concerned Administrative Department/Government. Besides, it should also invariably be mentioned in the forwarding letter that the audited unit/Administrative Department/Government should also exercise due care to ensure confidentiality of draft material for Audit report.

- (vi) The report material may invariably be sent through official mail and to the official addresses only with a request to acknowledge receipt.
- (vii) In case, the material is transmitted by Email the following should be expressed:

*“This electronic mail message and any attached file(s) contain information intended for the exclusive use of the individual or entity to which it is addressed and may contain information that is proprietary, privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any viewing, copying, disclosure or distribution of this information may be subject to legal restriction or sanction. Please notify the sender of any unintended receipt and delete the original message along with all attachments thereto without making any copies”.*

The above instructions may be strictly followed to ensure the confidentiality/secretcy of the material contained in the draft Audit Report and may also be brought to the notice of all the Officers/staff connected with the Audit Report work for strict compliance. In addition to the above, HODs may also place further controls as deemed fit to ensure confidentiality of Audit Reports.

*(Authority: CAG’s letter No. III/S/5/258-PPG/24-2012 dated 27.7.2012)*

### **3.12 Premature disclosure of audit material**

Instances have come to notice where the findings of audit at the draft inspection report stage or draft audit reports stage have appeared in the newspapers. CAG has considered this as most objectionable as disclosure of interim reports that may end up as audit paras, which have not been approved as yet by CAG, face the risk of breach of privilege of Legislature.

To tackle such situation it is instructed that:-

If the reference to the Inspection Report is as “PAG/AG Report” it should immediately be clarified to the Editor of the newspaper stating that the report is an Inspection Report.

If the reference is a Draft Audit Report or a proposed Audit Para then the PAG/AG should immediately write to the Chief Secretary concerned to ensure that the secrecy of such reports is not compromised.

*(Authority: C&AG letters No. 168-Audit (AP)/2005 dated 09 August 2005).*



### **3.13 Undue delay in presentation of the Audit Report to the Legislature**

If there is undue delay in presentation, a report will be sent to the Comptroller and Auditor General and such action taken locally as may be found appropriate for securing an early presentation of the documents to the Legislature. All measure for accelerating the presentation of the Audit Report to the Legislature should be adopted as mentioned below:-

- (i) Soon after the Reports are submitted to the Government, their presentation in the ensuing session of the Legislature should be arranged. If this is not done, The Finance Secretary and if necessary the Finance Minister should be addressed.
- (ii) If the response from the Finance Secretary or the Minister is not satisfactory, it may be necessary to discuss the matter with the Speaker of the Vidhan Sabha. If even this fails to achieve the purpose, a list of Reports still to be presented to the Legislature should be sent to the Chairman of the State Public Accounts Committee and it may be suggested to the Chairman to make an observation in the Public Accounts Committee about the delay in the presentation of the Reports to the State Legislature.

If there is any serious delay in the consideration of the Reports by the Public Accounts Committee, the matter may be taken up with the Finance Department and the Chairman of the Public Accounts Committee. In case the response is not satisfactory the Speaker may be approached personally for help. The Comptroller and Auditor General may also appraised of the position to enable him to take up the matter with the Chief Minister.

*(Authority: Report of Sub-Committee no.1-item-8, conference of the Accountants General, August 1959 and observations of the Comptroller and Auditor General thereon file no. Rep/3-12/1959-60).*

### **3.14 Hindi translation of Audit Report**

- Hindi translation of the Report is to be done by the Principal Accountant General/Accountant General who will forward the same to the Headquarters Office for the CAG's counter signature. If any amendment is made at the level of Headquarters Office, the same should be incorporated in the report.

*(Authority: CAG's letters No 765-Report(S)/66-83 dated 26.4.1983. Circular No. 4/84-No.478 Report(S)/17.6.84 dated 30.4.1985, 735-T-11/372-71 dated 10.5.72)*

- In case, Hindi translators are not available, translation work from English to Hindi and Hindi to English may be entrusted to the competent officer on the basis of honoraria.

*(Authority: CAG's letter No. 741-Hindi section/31-76 dated 15.11.79)*

## Chapter -IV

### Printing, Presentation and Distribution of the Report

#### 4.1 The copyright of the Audit Report

The copyright of the Audit Report vest with the Indian Audit and Accounts Department and the statement to be printed at the back page of the Report should be:

“©  
Comptroller and Auditor General of India”  
20.....

*(Authority : C&AG’s letter No.931-Admin-II /74-62 dated 27 June 1962 and Madhya Pradesh Finance Department letter No.5575-725-IVB –I/62 dated 24 July 1962)*

#### 4.2 Printing of the Report

The printing of the Report may be first attempted through Government press, without compromising the quality. If the expected quality is not to the desired standard, printing may be got done through private press. While printing through private press, the following conditions may be ensured:

- Observance of General Financial Rules;
- Observance of prescribed procedures for selecting private printer(s); and
- Confidentiality and quality of work through inclusion of appropriate clauses in the agreement and monitoring.

*(Authority:- CAG’s letter No.194-Staff(App.III)/122-2011 dated 17-2-2012)*

#### 4.3 Instructions Regarding Printing of the Audit Report

The instructions for printing and presentation of the Reports are laid down in Chapter 3 Para 7.3.53 to 7.3.60 of MSO (Audit) Second edition 2002, which are in brief as follows:

- (i) The instructions to be followed in the printing of the Audit Reports are contained in **Appendix 4.1**.
- (ii) The printing of the Audit Reports should be expedited.
- (iii) The printed copies of the Reports should be submitted to the Comptroller and Auditor General for his countersignature so that these are available for presentation to the Parliament/Legislature as early as possible.
- (iv) Five copies of the Reports of the State Government should bear in the last page, the signature in the original of the Authority responsible for authenticating the Reports in question. Adequate space for the countersignature of the Comptroller and Auditor General should be left immediately below this signature.
- (v) In order to enable press correspondents to select the more important audit observations/comments for publication, a press brief, which

should be more or less a copy of the “Overview” printed in the Report, should be issued separately for each Report as and when it is laid before the Legislature. Copies of the Reports will also be made available along with the Press Brief.

- (vi) Any errors noticed in the printed copies should be neatly corrected in the copies sent to the Comptroller and Auditor General. Where the number of errors is such as will require the inclusion of an errata, this should be printed only after an intimation of the document having been signed by the Comptroller and Auditor General is received. This will enable the Accountant General to incorporate in the errata any other mistakes or other typographical errors that may be pointed out by the Comptroller and Auditor General. The errata should confine itself to only the more significant errors.
- (vii) No correction slips should be issued after the Reports have been forwarded to Government .If a serious error or misprint comes to notice after this has been done, it should be immediately brought to the notice of the Comptroller and Auditor General along with an explanation of the circumstances in which the error could not be noticed and rectified earlier. If it is decided to issue an amendment, the correction slip will be issued in the name of the Accountant General who is responsible for the preparation of the Report, but it should not bear any date. The Accountant General shall ensure that any such correction slip issued is pasted in the copies countersigned by the Comptroller and Auditor General and intended to be laid on the table of the Legislature.
- (viii) No correction slip can be issued after the documents have been laid before the Legislature. Any errors noticed subsequently should be reported to the Comptroller and Auditor General with an explanation for the omission to detect them earlier.
- An instance has come to notice where gross mistakes were noticed in the printed copies of the Audit Reports of a State duly signed by the C&AG. Therefore, the C&AG has ordered that zero tolerance should be shown in regard to any mistake in the printed Audit Report and that the Accountant General will be held personally responsible for such mistakes.

*(Authority:- CAG’s letter No 206 Audit(AP)/33-2008 dated 6.7.2009)*

#### **4.4 Weekly Progress Report**

Printing of Audit Reports should be monitored closely by the Principal Accountant General/Accountant General to ensure that the printed Report is sent to HQs Office at the earliest for countersignature of the Comptroller and Auditor General of India. A weekly progress report should be sent to Headquarters Office every thursday positively both in respect of English and Hindi language versions. This should be sent by e-mail and also by FAX to Principal Director (RS). It should also be ensured that all the corrections made in the Bond Copy at the approval stage are incorporated in the printed copy of

the Audit Report and corrections so included are checked carefully before sending the printed Report to Headquarters.

*(Authority: HQs letter No. 42-Rep(S)/3-98 dated 15.1.2002)*

#### **4.5 Submission of Audit Report to the State Government and Governor**

Seven deluxe bond copies each of English and Hindi version of printed Audit Report are sent to Headquarters office for countersignature by C&AG along with bond copy as approved. Apart from this certificates are also submitted that:

- the printed Audit Report corresponds in all respects to the approved version of the Bond copy;
- requisite numbers of copies of the Report have been printed for presentation to the Legislature and are available with PAG/AG;
- Hindi version of the Audit Report is identical to the approved version of the Bond Copy.

Three sets of CD containing final version in English and Hindi each are also sent for website use.

Four copies each of English and Hindi version countersigned by C&AG are forwarded to the PAG/AG.

Two copies each of English and Hindi version of the Report are forwarded by PAG/AG to the Finance Department of the State Government for submission to the Governor in term of Article 151 of the Constitution. PAG/AG also inform the Secretary to the Governor demiofficially through a signed copy each of English and Hindi version of the Report.

*(Authority: C&AG's letter No.IV/T/06/272/Audit(AP)/34-2008-1 dated 7.09.2010 and CAG's letter No. III/S/6/313-PPG/43-2012 Dated 11.09.2012)*

#### **4.6 Press Note**

When the Audit Reports are forwarded to the Governor of the State for presentation in the Legislative Assembly, intimation should also be sent to the press through a press note about submission of the Audit Report to the Governor. The model press note duly adopted after restructuring of Audit offices is as under:

##### **Model Press Note**

In accordance with Article 151 of the Constitution and Section 19(A) of CAG's (DPC) Act, the Comptroller and Auditor General of India is required to forward 'Audit Reports' on the accounts of the State Government to the Governor who causes them to be laid on the table of the State Legislature.

Accordingly the following Reports of the Comptroller & Auditor General of India have been forwarded to the State Government on dates indicated against each for laying in the State Legislature.

- (1) The Report of the Comptroller and Auditor General of India on Revenue Sector, containing significant results of audit of the

- Departments of Madhya Pradesh under the Revenue Sector for the year ended March ..... has been handed over on.....
- (2) The Report of the Comptroller and Auditor General of India on Economic (Non-PSUs) Sector containing audit comments and observations on transactions pertaining to the activities of the Departments of State Government under Economic (Non-PSUs) Sector for the year ended March..... has been handed over on.....
  - (3) The Report of the Comptroller and Auditor General of India on General and Social (Non-PSUs) Sectors containing audit comments and observations on transactions pertaining to the activities of the Departments of State Government under General and Social (Non-PSUs) Sectors for the year ended March..... has been handed over on.....
  - (4) The Report of the Comptroller and Auditor General of India on Public Sector Undertakings (General, Social, Economic and Revenue Sectors) dealing with the results of audit in respect of Government Companies and Statutory Corporations for the year ended March.....has been handed over on .....
  - (5) The Report of the Comptroller and Auditor General of India (State Finance) containing audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the Government of Madhya Pradesh for the year ended March..... has been handed over on.....

**(Authority: CAG's letter No-663-Rep(S)/Co-ord/178/2008, dated 5.6.2008)**

## **4.7 Media Policy of the IA&AD**

### **4.7.1 Guidelines for interface with media**

In supersession of all previous instructions on the subject, following guidelines are prescribed by Headquarter for interface with media.

- (i) The press conference shall be held by the designated officers immediately after the presentation of each Audit Report in the State Legislature.
- (ii) The press conference may be held either within the State Legislature, after following the prescribed administrative procedures for holding of press conference by Government officers in the State Legislature, or in the offices of IA & AD.
- (iii) The designated officers shall announce at the outset in the media briefing that in accordance with the provision of Article 151 of the Constitution of India, CAG submits his Audit Reports to the Governor for being laid on the table of the State Legislatures in respect of matters arising out of the audit of State Government.
- (iv) Together with the above, it shall also be stated at the beginning that as per the procedure, the Audit Reports of Comptroller and Auditor General of India to the State Legislature relating to expenditure and revenue from the Consolidated Fund of the States stand referred to the

Public Accounts Committee. The reports in relation to Public Sector Undertakings stand referred to Committee on Public Undertakings.

- (v) Care shall be taken to ensure that no comments, directly or indirectly, are made during the press briefing on the functioning of the Committees of the State Legislature, including the factual position about selection/discussion and issue of Reports. The media may be advised to seek clarifications on these issues from the Parliament/ State Legislative Secretariat.
- (vi) The press conference shall be limited to conveying the contents of the tabled Audit Reports. For this purpose a press brief shall be sent for prior approval of the report controlling DAI/ADAI and specific approval to the press brief obtained. The overview, to the extent possible, may be utilized for the press brief. However, where it is not intended to utilize the overview as press brief, specific approval of the headquarters shall be obtained. Where considered necessary, the report controlling groups may send the press brief to Director General (Audit) for vetting before putting up to DAI/ADAI.
- (vii) The report controlling wings shall send a copy of the approved Report to DG (Audit), as soon as the Reports are placed on the Table of the State Legislature, indicating the date on which the Report is placed on Table of the State Legislature.
- (viii) The designated officers holding the press conference may send a copy of the approved press brief to the editors of newspapers and other sources of media along with the information regarding the date of presentation of the Report to the State Legislature. They may also circulate copies of the press brief on the spot to media persons attending the press conference.
- (ix) The designated officers may seek advice and clarifications from DG (Audit) in the Headquarter office.
- (x) Care shall be taken during the press conference to ensure that the statements are factual and are confined to what has been stated in the Audit Reports. No opinion on the government and its policies shall be given during the press conference. The press brief shall confine itself to the issues of compliance, waste, fraud and performance of programmes/projects/schemes etc. as brought out in the Audit Reports. The press briefing is an occasion for conveying factual information and removing ambiguity on issues/findings included in the Audit Reports.
- (xi) The press brief shall be non-partisan and without any political slant or comment.
- (xii) No reference to the names of the executive authorities involved in transactions in Audit Reports shall be made in the press conference, as such authorities do not have an opportunity to defend themselves at the time.
- (xiii) These instructions apply to both print and audio-visual media. Participation in any panel discussion on the Audit Reports or on issues

relating to audit practices and their effects shall require prior approval of the Headquarters.

- (xiv) The Principal Accountants General shall preside over the press conference for the State as the designated officer, where the senior most representative of IA&AD in charge of audit of the accounts of the State Government is of the rank of Principal Accountant General. However, all other Accountants General shall be present at the state level press conference and shall independently clarify matters relating to their Audit Reports. In other states, the Accountant General in charge of audit shall hold the press conference.
- (xv) The Principal Accountant General and the Accountant General shall make it convenient to be present in their headquarters for a press conference on the day of the presentation of the Audit Reports relating to the State Government. Any deviation in exceptional circumstances shall have specific approval of the report controlling ADAI, who may approve an alternative arrangement.

*(Authority : C&AG's letter No. 196-LC/190/2004 dated 16 March 2006)*

#### **4.7.2 Nomination of Spokesperson**

PAG/AG should nominate an IA&AS officer as spokesman for the State. His name and contact details (tel. no./ E mail IDs etc) should be sent to the Headquarters Office.

*(Authority: 076/CPW/IA-DG (iCISA)CP- IA&AD/2006-07 dated 22 June 2007).*

#### **4.7.3 Dissemination of Audit Report material for National Coverage**

Keeping in view that a huge amount of Central funds are being used in the State for centrally sponsored schemes and flagship programmes of Government of India. It has been decided that national coverage should also be given to State Reports.

Following Standard Operating Procedure may be adopted for providing material for dissemination of information relating to Audit Reports of State Governments tabled in State Legislature at national level by HQs Office:

- A different press release with contents pertinent for national coverage shall be drafted in addition to the regular press release meant for issue to the regional media. This may also be drafted in accordance with the guidelines issued in the 6<sup>th</sup> bullet under the heading Press Conferences of the External Communication Policy and got approved by the concerned DAI/ADAI. The press release in respect of each report should not exceed two pages.
- Contact details of respective officers of functional wings at HQs and respective officers in the field offices shall be provided in the press release to facilitate seeking of further clarifications, if any, on the report by the media.
- The Official Spokesperson who is making the arrangements for the press conference and the issue of press release(s) to the regional media

offices shall endorse a copy of the invitation to the media to the CP wing in HQs. He/she may follow it up immediately with an electronic copy of the press release(s) directly to CP wing in HQs, preferably before 12 noon to enable electronic issue of the press release(s) on the same day.

- In unavoidable circumstances like the press conference being followed by closed holidays and sufficient time not being available to intimate HQs Office, the press release(s) may be sent at the earliest, however not later than a week.
- In States where the Official Spokesperson has not been entrusted with the task of arranging for press conferences and issuing press releases, the Principal Accountant General shall arrange to send the press release(s) as stated above. The system of arranging press conference and press release through Official Spokesperson may however, be put in place immediately.
- All clarifications to the media by the PAG/AG/spokesperson shall be 'on record' and guidelines issued in the External Communication Policy vide 5<sup>th</sup>, 8<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> bullets under the heading Press Conferences shall strictly be adhered to.
- As soon as the Report(s) is (are) tabled, a personal communication should be sent to ADAI by the PAG/AG and followed by a fax.
- The Spokesperson shall also inform OSD(CP)/Media Advisor/Communication Policy Wing at HQs office telephonically about the holding of the Press Conference and emailing of the press release to HQs.
- The electronic copies of the Audit Reports will be forwarded to the ADAI.
- Spokesperson shall ensure that the Audit Report is hosted on the AG's website on the day of the tabling of the report in the Legislature, so as to enable media persons interested in the full report to access the same.
- Five copies of the Audit Reports shall be sent to OSD (CP)/Media Advisor, at HQs Office so as to reach latest within a week of holding of the Press Conference.

***(Authority:- CAG's letter No. 190-Rep(S)/48-2009 dated 16-02-2009 and CAG's letter No.012/CPW/11(1)/PR(States)/2008-09 dated 16.3.2009)***

- It has been decided that the designated officers in their prefatory remarks while briefing the media may add that the Audit Reports upon their presentation to the Parliament/Legislature are public documents. The same remarks may also be reiterated in the press briefs circulated to the press.

***(Authority:- CAG's letter No. IV/T19/27-CPW(AsG Conference)/1-2010 dated 13.7.2010)***



#### **4.7.4 Press clippings regarding Audit Reports**

Scanned and aggregated press clippings relating to each of the Audit Reports may be suitably uploaded in the individual websites of the offices of the AsG/PAsG.

*(Authority: HQ's letter No. 494/CR/Co-ordn/AAP 2016-17/130-2015/Vol.II dated 06.04.2016)*

#### **4.8 Instructions regarding drafting of Press Briefs**

- As per the External Communication Policy of the IA&AD, the press briefs to disseminate the audit findings in the CAG's Audit Report tabled in the State Legislatures shall be fact based, non-partisan, objective, fair, non-ideological and balanced. Further, the press brief shall confine itself to the issues of compliance, waste, fraud and performance of programme/projects/schemes etc., as brought out in the Audit Reports.

The following further instructions are issued regarding drafting of press briefs:

- The press briefs should highlight only the main points in the Audit Reports;
- General description about a programme/project/scheme should be avoided in the press briefs;
- The issues in the press briefs should be so arranged that the most striking issue of the Audit Report should be highlighted first and procedural issues are incorporated towards the end of the brief;
- The press brief should be concise to the maximum possible.

*(Authority: HQ's letter No. 147/CR/Co-ordn/Media Policy/press briefs/ dated 05.02.2016)*

- Headquarters' further guidelines regarding preparation of Press Briefs are as follows:
  - Critical points of the Reports should be highlighted first;
  - Para Numbers and the Page Numbers should be provided below the points to enable the Press to peruse the issues highlighted by Audit simultaneously;
  - Major issues included in the Report should be explained in simple and short sentences;
  - Photographs/Graphics/Pie-Charts etc. provided in the Report should be suitably incorporated in the Press Briefs so as to give more visibility to the critical issues;
  - The points in respect of each Performance Audits/Thematic Audits should be given separately;
  - As far as possible, the content size of the critical points of each Performance Audit/Thematic Audit should be restricted to one page;

- Use of Bullet points should be encouraged, wherever possible.  
The following General Guidelines are also issued for preparation of the Press Briefs:
- Choice of fonts is left to the AG/Pr.AG. However, Arial or Calibri or Times New Roman or Verdana is recommended:
- The font size of the points should be 14 and that of the references should be 12;
- CAGs logo should be provided in the beginning of the Press Brief at the top after the National Emblem and also at right hand corner of the top of each page;
- Name of the Report should be given (in simple words) as header of each page of the Press Brief (could be in italics here);
- In the last page of the Press Brief after concluding the Brief, further communication may be facilitated instantly by incorporating the name of the Office, details such as Name of the Spokesperson, Address, Telephone number/Fax number, mail ID and website address of the office;
- In the beginning of the Press Brief at the top right hand corner, "Immediate Release" should be written;
- Margin of the pages should be kept at 1.5" on both the sides;
- If the Brief extends beyond one page, ".....continued" or " .....more" should be included in bottom right corner of the page except the last page.

*(Authority: HQ's letter No. 218/CR/Co-ordn/Media Policy/WS/23-2017 dated 14.02.2017)*

#### **4.9 Instructions to avoid delay in placing of Audit Reports before the Legislature**

CAG has stressed the need for greater focus on placing the Audit Reports before the Legislature in the Budget session (February to April) every year. To ensure this following suggestions have been given by the Headquarters:

- (i) While forwarding the Bond Copy to the Headquarters every care should be taken to ensure correctness of the facts, figures and comments included in the Report and availability of sufficient evidence in support of those.
- (ii) Translation work should be started immediately after the Bond Copy is submitted to CAG or even earlier and should be completed within 3 weeks. Changes made while approving the Bond Copy may also be carried out subsequently in the translated Report.
- (iii) Compliance of the CAG's observation on the approved bond copy should be given top priority and the revised material should reach Headquarters within 10 days from the date of receipt of the approved Bond Copy by the AG.

- (iv) Arrangements for getting the printing work done from private press in case this is felt necessary may be made well in advance, all out efforts should be made so that the printing of the reports is completed and printed documents are sent to the Headquarters within six weeks from the date of approval of the bond copy by the CAG.

A weekly report with regard to progress towards translation and printing may also be invariably sent to Headquarter Office.

While all efforts should be made to complete the printing of the Audit Reports and forwarding the signed Audit Reports to the State Government as early as possible, it should be impressed upon the State Government that Audit Reports should be tabled in the Budget Session. In case it is not possible to forward the Audit Reports to the Government during the Budget Session, Government may be requested to arrange placement of the Reports in the Legislature in the next session.

*(Authority: CAG's letter No. 701-Rep(S)/186-2005 dated 15-06-2005 and letter No.1082 Rep(S)/186-2005 dated 4 October 2005)*

#### **4.10 Embossing facsimile signature of the Comptroller and Auditor General in the Hindi version of the Audit Reports of the Hindi speaking States**

The Comptroller and Auditor General would like to sign Hindi version of the Audit Reports in Hindi and the facsimile signature of Comptroller and Auditor General may be embossed in the copies of the documents to be printed. For this purpose, one block of the Comptroller and Auditor General's facsimile signature in Hindi is to be obtained.

The block of Comptroller and Auditor General's signature should be kept in the personal custody of the Accountant General to avoid any misuse.

*(Authority:- CAG's letter No. 1154-Rep/350-66 dated 12 June 1968)*

The CAG has desired that in the Hindi version of the Audit Reports, his name in Devanagari script should be written in full.

*(Authority:- CAG's letter No. 625 Report(S)/178-2007 dated 16.5.2007)*

#### **4.11 Supply of copies of Audit Reports to other Audit Offices and Institutions etc.**

On receipt of intimation that the Report was presented to the State Legislature, copies of the Audit Report shall be distributed to the various sections/officers of office and also supplied to the other Audit offices/institutions as per mailing list in India on an exchange basis as indicated in **Appendix 4.2**.

#### **4.12 Internal Control Mechanism to assess the quality of Audit Report**

In order to assess the quality and impact of audit it has been decided that the Bond copies of Audit Reports may be accompanied by Assurance Memos signed by the Accountant General /Principal Audit Officer. The Assurance Memo should contain the following declarations:

- (a) That the Audit Plan for the year has been fully implemented.
- (b) That all observations pointing out lapses in the implementation of systems and procedures and all weaknesses in the responsibility centers have been discussed with the heads of administrative departments and assurance obtained in regard to corrective measures for arresting potential risks.
- (c) That all contested evidences have been conclusively handled with reference to the facts at the disposal of audit.
- (d) That in respect of reviews of schemes, samples have been selected based on risk analysis or risk perception and that the evidence of such exercise is available on record.

*(Authority : C&AG's letter No.116-Audit (AP)/4-2003 dated 22-08-2003)*

#### **4.13 Quality of Audit Reports under draft ranking system of Audit Offices**

Procedure to be followed regarding quality of Audit Reports under draft ranking system of Audit offices

- (i) This is based on the weighted aggregate of money value as arrived at through the desirability acceptability matrix. At present, this information is received in the report groups in Headquarter. It is proposed to request groups to forward this information (detailed audit office-wise) to DG (Audit).
- (ii) The ranking on this parameter is proposed to be done in the DG (Audit) wing in the following manner:
  - (a) The weighted money value per audit para for each of the 79 audit offices (including 46 Civil, 14 MAB, 13 Railway, 3 Defense, 1 P&T and 2 overseas audit offices) shall be calculated by dividing the total weighted money value by the number of audit paras for that office.
  - (b) The audit office with the maximum weighted money value per audit para will be assigned 10 points. The other offices will be assigned points proportionately.

Points to be awarded to an audit office:

Weighted money value per para for that office x 10

Max weighted money value per para

An example: Say for audit office A the weighted money value per para is 100 while the max weighted money value per para is 200. The points to be awarded to audit office A for quality of audit paras will be  $(100/200) \times 10 = 5$ .

*(Authority: C&AG's letter No. 99-Audit (AP)/16-2004 dated 23-06-2004)*

#### **4.14 Measuring effectiveness of Audit**

Desirability Acceptability Matrix (weighted money value) for transaction audit paras and the reviews and long paras (in respect of Civil Audit Reports):

The 'agreed' matrices separately for the transactions audit paras and the reviews and long paras (for Civil Audit Reports) are given in **Appendix-3.1**. These may be adopted in the Audit Report (Civil).

While sending the batch material for the Audit Report, the matrix identity, money value and weighted money value of the draft paragraphs may be indicated in a marginal box along side. In case of reviews/long paragraphs the money value, matrix score and the weighted money value for the reviews/long paragraphs as a whole may be indicated in a box in the beginning while money value of the individual sub paragraphs may be mentioned alongside each sub-paragraphs of the review/long paragraph.

***(Authority: C&AG's letter No. 718-Rep(S)/252-2003 dated 16-06-2005 and No. 248-Rep(S)/252-2003 dated 1-03-2006 )***

## Chapter -V

### Follow-up on Audit Reports

#### 5.1 Introduction

Under Article 151(2) of the Constitution, the reports of the Comptroller and Auditor General shall be submitted to the Governor who shall cause them to be laid before the Legislature of the State. After the Audit Reports are laid on the table of the House, these stands referred to the Public Accounts Committee (PAC).

The PAC is constituted under Madhya Pradesh Vidhan Sabha Rules 221. Information regarding composition etc. of the Public Account Committee is sent to the Comptroller and Auditor General's office. Changes in the composition of the Committee are also intimated to the Comptroller and Auditor General as and when they occur.

Further as per Gazette (Extraordinary) No. 110, Government of Madhya Pradesh dated 13.03.2015, for the follow up of Audit Reports (Local Bodies) which are laid on the table of the State Legislature a 'Local Bodies and Panchayati Raj Accounts Committee' has been constituted.

#### 5.2 Procedure followed for the examination of the Reports of the Comptroller and Auditor General by the Public Accounts Committee

The following procedure is laid down for the examination of the reports of the Comptroller and Auditor General by the Public Accounts Committee:

(i) Immediately after the presentation of the Audit Report to the Vidhan Sabha, The questionnaires on each paragraph highlighting key issues will be sent to Vidhan Sabha Secretariat (PAC Group), which will consider the questionnaires and after their approval, the replies to the questionnaires will be obtained from the Administrative departments.

(ii) (a) The replies so obtained will be considered by the Vidhan Sabha Secretariat (PAC Group). All the required assistance will be provided to them by Audit. The Paragraphs, to which the replies of the administrative departments are not considered satisfactory and oral examination is considered necessary, may be recommended to be taken up by the PAC for oral examination.

(b) In making selection for oral examination, priority may, however, be given to the paragraphs involving implementation of policy or where the PAC may have to contribute or such paragraphs which involve serious financial irregularities.

(c) Every year functioning of some autonomous organizations involved in important national activities should also be taken up for the oral examination on the basis of data provided in audit reviews.

(iii) Other paragraphs, which are not taken up for oral examination, may be commented upon by the PAC in their reports on the basis of the replies to the questionnaires.

*(Authority: C&AG letters No. 792-Rep/294-78 dated 23 August 1978)*

### **5.3 Association of Accountant General during PAC's Meeting**

The Accountant General is usually invited to be present at the meetings of the PAC when witnesses are examined and Reports are considered. The Accountant General should endeavor to attend all these meetings in their deliberations and should take with him an officer or member of the staff to assist him.

The Accountant General also helps the member to understand the importance of paragraph or irregularity and what exactly can be done by them in dealing with the different issues.

The Comptroller and Auditor General has decided that as far as possible the Accountant General should take the Deputy Accountant General to Public Accounts Committee meetings when the committee takes up consideration of the paragraphs.

*(Authority: Para 50 of C&AG letters No. 1896-Rep /314-68 dated 20 September 1931 & No. 928-Rep /146-70 dated 16 May 1970)*

On receipt of the minutes of the meetings of the PAC the same will be vetted by audit and returned to the Vidhan Sabha Secretariat. Any modification proposed in the minutes may be prominently brought to notice for the consideration of the PAC. The same procedure may be adopted in respect of vetting of the drafts of the Recommendation and Action Taken Reports of PAC.

### **5.4 Procedure to be followed by the Government in dealing with the Report of the Public Accounts Committee**

The action taken by the Government on the recommendations of the PAC has to be reported to the Committee. If Government does not accept the recommendation of the PAC the matter has to be resubmitted to the PAC for reconsideration. After reconsideration, if the Committee does not reiterate its recommendation the matter ends. The policy of the Government usually is to accept the recommendation of the PAC and if in spite of reiteration of a recommendation by the committee, the Government do not accept it, the matter has to be brought before the Legislature either by Government in the form of a resolution or by a further report by the Committee.

Similarly, if the recommendation of the PAC requires investigation of a matter by a committee appointed by the Government, the report of that committee along with the comments of Government as well as of the Comptroller and Auditor General thereon, has first to be submitted to the PAC for consideration and not to the Legislature. The Legislature can do nothing about it until the PAC has examined it and reported on it.

If the Government decides to bring before the Legislature any difference of opinion between the PAC and the Government, it should be done in a form which places arguments on both the sides unreservedly before the Legislature.

*(Authority: CAG's letter No. 193-Rep/6-54 dated 23 February 1954).*

### **5.5 Recommendations of Shakhdar Committee**

Recommendations of Shakhdar Committee have been accepted by State Government/ State PAC which inter alia included:-

- (i) Adoption of the Central procedure for dealing with Audit Reports which involves suo motu submission within a period of three months of explanatory notes on action taken/ proposed to be taken on the audit paragraphs/ reviews;
- (ii) Prescribing a time limit of six months for Government's Action Taken Notes (duly vetted by the AG) on the recommendations of the PAC/ COPU;
- (iii) Establishment of an appropriate mechanism in Government to monitor Government response to Audit and to COPU/PAC;
- (iv) Review of limits prescribed on excess or saving vis a vis the Budget, provisions or comments in the Appropriation Accounts; and

*(Authority: CAG's letter No.417-Rep(s)/112-HPC dated 28.3.2007).*

### **5.6 Follow up Action**

In order to ensure the effectiveness of audit, as well as supplement the efforts of the State PACs in handling the observation made in Audit Reports, it has been decided to take the following action:

- (1) All pending para for discussion by the PAC should be reviewed in the time bound programme not exceeding a month, as follows:-
  - All paras subsequently updated and all old paras becoming irrelevant with the passage of time/time gap should be removed from the scope of Discussion.
  - All paras appearing year after year should be clubbed.
  - Paras which indicated system deficiencies, malafide and violation of norms and regulations should be reclassified under these categories.
- (2) After segregation of the paras on the above criteria, those should be linked to the current Audit Report under discussion. If the Audit Report under discussion also contains a similar para, AG may bring it to notice of PAC so that all the old paras containing similar deficiencies be discussed in the context of the current para.
- (3) The issue of submission of explanatory notes (ENs) or Action Taken Notes (ATNs) may be taken with the Chairman, PAC/Chief Secretary/Secretary, Legislature on priority basis so that submission of these notes could be ensured within three months of laying of the Audit Report in the State Legislature.



(4) The Chairman, PAC may also be requested to follow the practice of Central PAC as recommended by Shakhdar Committee. He/ She may also be advised to consider constitution of a Sub Committee exclusively to follow up on the Audit Reports, which will deal with the departments on pending/unsatisfactory ATNs (as constituted by the central PAC).

(5) During discussion by the PAC of a current para pertaining to a department, all pending paras relating to that department could be discussed. AG should give the details of the old paras along with cross references and highlight areas of interest to the PAC.

(6) At the end of the year, AG should provide necessary assistance to the PAC in the finalization of its report, wherever requested. Possibility of deputation of an officer to the PAC Secretariat may also be explored if not already existing.

(7) Important paras on which follow up action has been inadequate should be summarized in a tabular form and included as an annexure in the next Audit Report(Civil), indicating their current status.

***(Authority: C&AG letters No. 251-Rep(s) /257-2003(KW) dated 16 March 2004).***

**Appendix-1.1**  
**Calendar of Returns**  
**(Reference: Para No. 1.4)**

**Weekly Returns**

Sl. No.	Name of Return	To whom due	When due	Authority
1.	Calendar of Returns	Branch Officer	Every Monday	Para 7.12 of MOP
2.	AG's & DO letter Diary	Branch Officer	Every Monday	Para 5.55 of MOP
3.	FAX letter /E-Mail Diary	Branch Officer	Every Monday	Para 5.55 of MOP
4.	PAC's Letter Diary	Branch Officer	Every Monday	Para 5.55 of MOP
5.	CAG' letter Diary	Branch Officer	Every Monday	Para 5.55 of MOP
6.	Hindi/General Letter Diary	Branch Officer	Every Monday	Para 5.55 of MOP
7.	English Letter Diary	Branch Officer	Every Monday	Para 5.55 of MOP
8.	Draft Paragraph Diary	Branch Officer	Every Monday	Para 5.55 of MOP

**Fortnightly Returns**

9.	Register of Unanswered letters	Accountant General	5 <sup>th</sup> and 20 <sup>th</sup> of each month	O.O No. Admin.I/Misc./253 dated 5.2.80
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**Monthly Returns**

10.	Register of duty list	Branch Officer	1 <sup>st</sup> working day of the month	O.O.Admn.I/30 dated 30.1.80
11.	Position of sanctioned and working strength	OE 11/12	1 <sup>st</sup> working day of the month	OE-1/AA/26-37 dated 26.11.79
12.	Dead Stock Register	Branch Officer	5 <sup>th</sup> of each month	Para 6.80 of M.O.P.

13.	Monthly Arrear Report	Accountant General	5 <sup>th</sup> of each month	Para 7.3 of MOP
14.	Report Regarding issue of Letter in bilingually from section	Hindi Cell	15 <sup>th</sup> of each month	Hindi Cell STR-I/123 dated 20.5.2014
15.	Auditors Notebook	Asstt. Audit Officer	5 <sup>th</sup> of each month	Para 7.7. of MOP
16.	Asstt. Audit Officer's Note Book	Branch Officer	5 <sup>th</sup> of each month	Para 7.7 of MOP
17.	Requisition of stationary	Stationary section	5 <sup>th</sup> of each month	Para 6.51 of MOP
18.	Register for watching Action taken on the recommendation of PAC	Accountant General	10 <sup>th</sup> of each month	H.Q.'s Letter No.- o57/Report(Central)/88-89 Dated 4-6-1999
19.	Calendar of Returns	Accountant General	15 <sup>th</sup> of each month	Para 7.12 of M.O.P.
20.	Dispatch Letter Diary	Branch Officer	15 <sup>th</sup> of each month	Para 6.2 of M.O.P
21.	Register of Books	Branch Officer	15 <sup>th</sup> of each month	Para 6.43 of M.O.P
22.	Monthly Event Report	OE 14	Up to 5 <sup>th</sup> of the month	OE-14/Event Report/Office order/470 dated 12-12-05
23.	Attendance Register and closing of CL/RH leave Register	Leave sanctioning authority	Promptly	Para 3.3 of MOP

**Quarterly Returns**

24.	Quarterly report on progressive use of Hindi	Hindi Cell	1 <sup>st</sup> April 1 <sup>st</sup> July 1 <sup>st</sup> Oct 1 <sup>st</sup> Jan	Circular 3.69 Hindi cell/70-84 dated 23-7-86
25.	Register of Files	Branch Officer	10 <sup>th</sup> April 10 <sup>th</sup> July 10 <sup>th</sup> Oct. 10 <sup>th</sup> Jan	Para 3.43 of M.O.P

26.	Report Regarding Complaint Cases	ITA Section	25 <sup>th</sup> April 25 <sup>th</sup> July 25 <sup>th</sup> Oct. 25 <sup>th</sup> Jan.	No.ITA/O.O./शिका . / 2ए दिनांक 14-07-08
27.	Working & Sanctioned strength of Sr.A.O., A.O., AAO, Supervisor, Sr. Auditor, Auditor	OE-11	1 <sup>st</sup> April 1 <sup>st</sup> July 1 <sup>st</sup> Oct 1 <sup>st</sup> Jan	OE-I/AA/26-37 Dated 26-11-1979
28.	Manual Correction Register	Branch Officer	5 <sup>th</sup> Jan. 5 <sup>th</sup> April 5 <sup>th</sup> July 5 <sup>th</sup> Oct.	AG's order dated 08.01.2016

**Biennial Returns**

29.	Report regarding position of discussion of Audit Reports in PAC	Head Quarters	1 <sup>th</sup> week of April 1 <sup>th</sup> week of October	C&AG/D.O./No. 994/Rep.(S)/266/ 2006 Dated 10.10.2006
30.	Dictionary of references	Branch Officer	15 <sup>th</sup> August 15 <sup>th</sup> February	Para 7.05 of MOP
31.	Manual Correction Register	AG	5 <sup>th</sup> Jan 5 <sup>th</sup> July	AG's order dated 08.01.2016

**Annual Returns**

32.	Weeding of Old Records	Record Room	15 <sup>th</sup> May	Para 6.6 of MOP
33.	APAR	Confidential Cell	31 <sup>st</sup> July	No./Admin/CC/A udit/APAR@OO- 01] Dated 7-3- 2013

**Appendix 2.1 (Reference: Para No.2.6)**



**Report of the  
Comptroller and Auditor General of India  
ON**

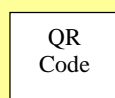
**GENERAL AND SOCIAL (NON-PSUs) SECTORS  
for the year ended .....**



**Government of Madhya Pradesh  
Report No..... of the year .....**

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### Appendix 3.1

**(Reference para No. 3.1.5, 3.1.6 & 4.14)**

(Parameters and weights for measuring effectiveness of various categories of Audit paragraphs in State civil Audit Report)

Nature of audit observations	Violation of procedure/system /guidelines identified	Reasons for irregularities/lapse/mistake/errors analyzed	Responsibilities located / recoveries made	If modern technique of gathering evidences adopted @	Government responses included with rebuttal/audit observations accepted by the Government department	Maximum score	Matrix identity
(1)Fraud/misappropriation/ embezzlement/losses detected by audit; overpayment accepted by department (recovered or not) that is indicative of fraud, misappropriation etc.	.35	.30	.10	.10	.15	1.00	A
(ii)Excess payment; wasteful/infectious expenditure	.35	.20	.10	.10	.15	.90	B
(iii)Violation of contractual obligation, undue favors to contractors, avoidable expenditure	.25	.20	.10	.10	.15	.80	C
(iv) Idle investments/idle establishment/blocking of funds delays in commissioning equipment; diversion/misutilisation of funds.	.20	.15	.10	.05	.10	.60	D
(v) Regularity issues and other	.20	.10	.05	.05	.10	.50	E

@Include photograph, interview, beneficiary survey, joint physical verification (by Audit and Auditee unit) duly authenticated by the Auditee unit.

Note: Matrix value of an Audit paragraph will be the money value of the paragraph multiplied by matrix weight for the para.

## (Parameters and weights for measuring effectiveness of various categories of Audit Reviews/Long Paras in State civil Audit Report)

	Objective/goals/ targets/ Aims attainments analysed	Comprehensiveness of the coverage of the subject	Presentation and readability /conclusion/ Recommendations	If modern technique of gathering evidences adopted @	Government responses included with rebuttal/audit observations accepted by the Government department	If money value is more than 10% of audited expenditure	Maximum score (X)	Weighted (Matrix) money value
Scheme/Program Reviews and Integrated Audit	0.25	0.25	0.20	0.10	0.10	0.10	1.00	X multiplied by actual money value
.								
	Violation of Acts/Rules analysed and Prosecution/ Conviction analysed	Administrative or legal difficulties in implementation	Presentation and readability /highlights/ conclusion/ Recommendations	If modern technique of gathering evidences adopted @	Government responses included with rebuttal/audit observations accepted by the Government department	If money value is more than 5% of audited expenditure	Maximum score (X)	Weighted (Matrix) money value
Audit implementation of Acts and Rules/Regulatory functions	0.30	0.20	0.20	0.10	0.10	0.10	1.00	X multiplied by actual money value

@Include photograph, interview, beneficiary survey, joint physical verification (by Audit and Auditee unit) duly authenticated by the Auditee unit.

Note: Matrix value of an Audit Reviews/Long Paragraph will be the money value multiplied by matrix weight for the Review/Long para.

**(Authority: CAG's letter no. 718-Rep(s)/252-2003 dated 16.06.2005.)**



**Appendix 3.2**  
**(Reference para No. 3.2.7)**

**Gwalior**

**(Full Name)**

**The**

**Accountant General**  
**(General and Social Sector Audit)**  
**Madhya Pradesh**

**Countersigned**

**New Delhi**

**(Full Name)**

**The**

**Comptroller and Auditor General of India**

**Appendix 3.3****(Reference: Para No. 3.2.7)****UNIFORMITY IN THE USE OF CAPITAL SMALL LETTERS IN THE OFFICIAL PUBLICATION**

1. Audit (Where it is used to denote the Audit institution of the CAG)
2. Appropriation Accounts.
3. Audit Report (When it refers to CAG's Report)
4. Accounts and Entitlements (When it refers to the organization).
5. Account General/Director of Audit/Member Audit Board.
6. Abstract of stock Reports/Issues.
7. Administration (When it is used to refer to a specific authority).
8. Buildings, Report, Irrigation, Public Health Engineering Branches (in relation to public Works.)
9. Cash Account (in relation to treasury account).
10. Central/Central Government.
11. Comptroller and Auditor General (of India).
12. Combined Finance and Revenue Account.
13. Constitution (when it refer to the Constitution of India).
14. Committees of Parliament.
15. Consolidated Fund/Contingency Fund /Public Account.
16. Civil Audit (in relation to CAG's Commercial Audit).
17. Commercial Audit (when it refer to a Financial Committee).
18. Defence Audit (in relation to CAG's Audit).
19. Consolidated Treasury Receipt.
20. Committee (when it refer to a Financial Committee).
21. Committee on Public Undertakings.
22. Defence (when it refers to Defence Department).
23. Debt, Deposit, Remittance heads.
24. Defence Services (when it refer to Army, navy and Air force).
25. Executive (when used as an organ of State).
26. Finance Accounts.
27. Finance Bill.
28. Food, Rehabilitation and Supply Departments.
29. Financial Committees.
30. Goods Received Sheet.
31. General Revenues.
32. Government Committees/Corporations.
33. Governor.
34. Government.

35. Heads of Department/ Corporation.
36. Indian Audit and Accounts Department.
37. Inter-State Suspense Account.
38. Indian/British postal orders.
39. Judge (in relation to High Court Judge / Supreme Court Judge)
40. Legislature.
41. Lok Sabha Secretariat.
42. List of payment (in relation to treasury account).
43. Legislative Assembly.
44. Ministries/Department (in specific cases).
45. Priced Stores Ledger.
46. Public works Department.
47. Public Accounts Committee.
48. President.
49. Parliament.
50. Posts (when it refers to Government Posts.)
51. Pay and Accounts office.
52. Public Account.
53. Railway Administration.
54. Railway Audit (in relation to CAG's audit)
55. Railway (when it refers to Railway Department).
56. Register of works.
57. Register of Cheques Drawn.
58. Railway Finance.
59. Rajya Sabha Secretariat.
60. Rules of procedure and Conduct of Business.
61. Settlement Account Abstract.
62. Schedule of Remittances.
63. State/State Government.
64. Telecommunication (when it refer to Telecommunication Department).
65. Telephone Department Fund.
66. Union/Union government.
67. Union Territories.

	CURRENT	UNIFORM
prefixes which are not words that can stand alone	non/vice/anti/pr/pos t/re/multi/sub cum	non/post-/pre-/Vice-chairman/ re-invest (hyphenate unless joined in joined in usage e.g. viceroy, preamble, preceding antidote, multitude, reiterate, reorganize) sub; usefully joins-cum-

Plan	VII. 7th, etc.	seventh or VIIth plan
Date	Various	24 November 1993 /(November, 93) November 1993/ (November 1993)
Table entries	Various	Period at end of entry not necessary unless more than one sentence/ item in same cell
Audit/in audit	test check	Test-check (ed) (hyphenate)
subject	Directorate (sic)/department	Directorate /department "D" capital throughout text if subject auditee
IAAD=Audit	Audit .....by/in	Audit
Periods in short	RS./Sq. km but number= no.	Rs/sq km/kg/ not sq kms/ kgs, (omit period but space but no. )
hyphens	..wise	year/State, etc-wise (hyphenate and join)
....or	break up	break –up
....not	short/ long	Short/long term
	co(-) operative	co-operatives/societies/coordinate (join)
over/under	overestimated under utilization	over-estimated (generally hyphenate unless combined by usage e.g. under mine, over rate overaged)
More of-in	accountable blockade, etc.	accounting blocking, etc.
Amount	Rupees in crores, lacks etc.	Rupees in crore, lakh etc.

**Appendix 3.4**

**(Reference: Para No. 3.11)**

**Confidentiality Statement**

**For the employees of Indian Audit And Accounts Department**

1. <name> and <designation>  
S/o/D/o.....

solemnly affirm on .....days of <name of Month> of <year> that:

- (i) I will not divulge any information gained by me during the discharge of my duties. I will keep the information contained in audit work papers, draft reports etc confidential.
- (ii) I understand that any breach of confidentiality will attract suitable action against me under the CCS (Conduct) Rules.

**Date:**

**Place:**

**(Name and Designation)**

**Confidentiality Statement**

**To be obtained from outside parties engaged for printing and design of report etc.**

**(to be obtained on stamp paper of Rs, 50/- attested by oath commissioner/Notary public)**

1. <name> S/o/D/o.....resident of  
<.....> solemnly affirm on.....day of  
<name of Month> of <year>that:

- (i) I will not divulge any information/content of audit report handed over to me for the purpose of <purpose to be mentioned such as printing and designing etc.>. I will keep the information contained in audit reports confidential.
- (ii) I understand that any breach of confidentiality will attract suitable action against me under the applicable laws as deemed fit by Indian Audit & Accounts Department.

**Dated:**

**Place:**

**(Name and Designation)**

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**Appendix 4.1**  
**(Reference: Para No. 4.3)**  
**Instructions to be followed in the printing of Audit Reports**

In preparing the documents for the press, every document should be made to minimise the cost of printing, consistent with the requirement of presenting a clear, intelligible and readable compilation. The following points, in particular, should be borne in mind:

- (a) Before the documents are sent to press, the general arrangement of their printing should be carefully considered and the instructions given should be sufficiently clear and precise. The manuscript should be legibly typewritten and should be sent in its final form.
- (b) The size of the documents should preferably be "RA 4".
- (c) All statements should be printed vertically and not horizontally.
- (d) "Charged" expenditure should be printed in italics.
- (e) Different and distinctive types should be used for printing the headings and subheadings.
- (f) Fractions of a rupee should be omitted.
- (g) The copyright of the Audit Reports which are presented by the Indian Audit and Accounts Department rests with the Comptroller and Auditor General. The following should be printed at the back page of compilation:  
"© Comptroller and Auditor General..... (Year of publication)"
- (h) Copies of the documents in excess of the number really necessary should not be printed. The number required for the use of the Government concerned should be ascertained beforehand. The Audit Officer arranging printing of the documents should estimate his requirements for his office library, for circulation among his establishment and for supply to officers with whom he exchanges publications. The number of copies to be offered for sale should be determined well in advance in consultation with the Publication Branch of the Government concerned.
- (i) The logo of the State Government would continue to be printed on the cover of the State Audit Reports wherever this is already being done. The Ashoka Pillar with its own motto will be printed on the covers of all other Reports.
- (j) The space between the designation of the Principal Accountant General/Accountant General and the word "countersigned" on the signatory page of the printed Audit Report should be one inch (1") and that between the word "countersigned" and the name of Comptroller and Auditor General should be one and a half inches (1½"). Similarly, the space between the text of the Audit Certificate and the name of the Comptroller and Auditor General should be one

and a half inches (1½") in the Finance Accounts and Appropriation Accounts.

Formats for all the Audit Reports have been standardized with a view to exhibiting them on the internet. The Reports should be formatted on common parameters according to the instructions contained in letter No.85-Rep©/156-98 dated 25<sup>th</sup> January 1999 issued by the Comptroller and Auditor General.

***(Authority : Annexure 3 referred to in paragraph 7.3.53 of MSO (Audit) Second Edition 2002)***

## Appendix 4.2

(Reference: Para No. 4.11)

### Mailing List

1. Principal Accountant General (General and Social Sector Audit),  
Andhra Pradesh, Hyderabad – 500004
2. Principal Accountant General (Economic and Revenue Sector Audit),  
Andhra Pradesh, Saifabad, Hyderabad -500004
3. Accountant General  
Arunachal Pradesh, JNK Building,  
Sector – E, NH – 52 A, Itanagar - 791111
4. Accountant General (Audit),  
Meghalaya, Shillong-793001
5. Accountant General,  
Mizoram, Shri bulhranga building, Dintar, Izwal – 796005
6. Principal Accountant General (Audit),  
Assam, Beltla, Guwahati – 781029
7. Principal Accountant General (Audit)  
Bihar, Veerchand Patel Marg, Patna -800001
8. Principal Accountant General (Audit),  
Jharkhand, Po. Doranda, Ranchi -834002
9. Accountant General (Economic and Revenue Sector Audit)  
Gujrat, Audit Bhawan, Near Commerce Six road, Navrangpura,  
Ahmedabad -380009
10. Accountant General (General and Social Sector Audit),  
Gujrat, Anexxe Building, Race Course Road, PB NO. 27, Rajkot-  
360001
11. Principal Accountant General (Audit),  
Himachal Pradesh, Shimla – 171003
12. Principal Accountant General (Audit),  
Jammu and Kashmir, Jammu – 190009
13. Principal Accountant General (General and Social Sector Audit),  
Karnataka, C block, Naya Bhawan, Daak Thaili No. 5398, Bangalore-  
560001
14. Principal Accountant General (General and Social Sector Audit),  
Keral, Trianathpuram- 695001
15. Principal Accountant General (Audit) I, Maharashtra  
Pratishtha Bhawan, 101, MK Marg, Mumbai – 400020
16. Accountant General (Audit) II,  
Maharashtra, In front of Ravi Bhawan, Civil Lines, Nagpur – 440001
17. Accountant General (Commercial Audit),  
Maharashtra, Pratishtha Bhwan, GF, 101, MK road, Mumbai – 400020
18. Principal Director (Audit),  
Central Madhu Industrial Estate Worli, Mumbai – 400013
19. Accountant General (Audit),  
Manipur, Imphal – 795001
20. Accountant General (Economic and Revenue Sector Audit),  
Madhya Pradesh, 53, Arera Hills, Hoshangabad Road, Bhopal -462011
21. Accountant General (Audit),



22. Nagaland, Kohima – 797001  
Principal Director (Audit),  
Scientific Department, AGCR Bhawan, Indraprastha Estate, New Delhi
23. Principal Director (Audit),  
Air Force and Navy, Room No 111, M Block, Church Road,  
New Delhi -110001
24. Director General (Audit),  
Central Expenditure, AGCD Bhawan, Indraprastha Estate, New Delhi  
– 110002
25. Principal Accountant General (Audit),  
AGCR Bhawan, Indraprastha Estate, New Delhi – 110002
26. Accountant General (General and Social Sector Audit),  
Odisha, Bhuvneshwar – 751001
27. Accountant General (Commercial, Construction and Receipt Audit)  
Odisha, Bhuvneshwar –751001
28. Accountant General (Audit),  
Punjab, Plot No. 21, Sector17, Post Box No.- 18, Chandigarh –  
160017
29. Principal Accountant General (General and Social Sector Audit),  
Rajasthan, Janpath, Jaipur – 302005
30. Research Officer,  
National Institute of Financial Management  
Sector – 48, Pali Road, Faridabad, Haryana – 121001
31. Accountant General (Audit),  
Chhatisgarh, Zero point, Post – Mandar, Raipur – 493111
32. Accountant General Goa,  
Audit Bhawan, Green Valley, Alto Porborim, Goa – 403521
33. Library Chairman,  
Delhi Public Library, H block, Sarojni Nagar, New Delhi – 110023
34. Director General (Audit),  
Defence Services, L- II block, Brace Avenue, New Delhi – 110001
35. Principal Accountant General (Audit),  
Haryana, Plot No. 4-5, Dakshin Marg, Sector 33 B, Chandigarh –  
160020
36. Accountant General (Economic and Revenue Audit),  
Rajasthan, Janpath, Jaipur – 302005
37. Principal Accountant General (Audit),  
Sikkim, Lekha Pariksha Bhawan, Devrali, Gangtok – 737102
38. Principal Accountant General (General and Social Sector Audit),  
Tamil Nadu and Puducherry, LekhaPariskha Bhawan,  
361, Anna Salai, Tenampet, Chennai – 600018
39. Principal Accountant General (Commercial and Receipt Audit),  
Tamil Nadu, Lekha Pariksha Bhawan,  
361, Anna Salai, Tenampet, Chennai – 600018
40. Accountant General (Audit),  
Tripura, Agartala – 799006
41. Principal Accountant General (General and Social Sector Audit),  
Uttar Pradesh, Satya Nistha Bhawan, 15-A, Dayanand Marg, Allahbad  
– 211001
42. Accountant General (Economic and Revenue Audit),

- Uttar Pradesh, 6<sup>th</sup> Floor, Central Building, Sector H, Aliganj, Lucknow – 226024
43. Principal Accountant General (Audit),  
Uttarkhand, Mahalekhakar Bhawan, Kaulagarh, Dehradun – 248195
  44. Principal Director (Audit),  
Central GOI Press Building, 8, Kiran Sankar Rai Marg, Kolkata – 700001
  45. Principal Accountant General (General and Social Sector Audit),  
West Bengal, Treasury Building 2, Government Palace (West),  
Kolkata – 700001
  46. Accountant General (Receipt, Construction and Local Bodies Audit),  
West Bengal, CGO Complex,  
3<sup>rd</sup> MSO Bhawan, 5<sup>th</sup> Floor, D F Block, Salt Lake, Kolkata – 700064
  47. Director General (Audit),  
Postal and Telecom, Shamnath Marg, Civil Lines, Delhi – 110054
  48. Joint Director,  
55, National Academy, (Accounts and Audit), Railway Board  
Building,  
Shimla – 171004
  49. Principal Director,  
Regional Training Institute (RTI),  
20, Sarojni Naidu Marg,  
Allahbad- 211001
  50. Principal Director,  
Regional Training Institute (RTI),  
C-2, G N Block, CTS No. 4207,  
Behind Asian Heart Institute, Bandra (East), Mumbai- 400051
  51. Principal Director,  
Regional Training Institute (RTI),  
A G Colony, Bajaj Nagar, Jaipur – 302015
  52. Principal Director,  
Regional Training Institute (RTI),  
Office of Accountant General Complex, Shakti Nagar, Jammu – 180001
  53. Principal Director,  
Regional Training Institute (RTI),  
Office of Accountant General Complex, 361, Anna Salai, Chennai – 600018
  54. Principal Director,  
Regional Training Institute (RTI),  
26/1, Civil Lines, Nagpur, Maharashtra – 440001
  55. Principal Director,  
Regional Training Institute (RTI),  
Doranda, Ranchi, Jharkhand-834002
  56. Principal Director,  
Regional Training Institute (RTI),  
North – East Area, Lechatelet Complex,  
Lethumkharam, Shillong- 793003

57. Principal Director (Audit),  
Economic and Service Ministry, Room No. 214,  
D wing, AGCR Bhawan, Indra prastha Estate, New Delhi – 110002
58. Senior Deputy Accountant General,  
I/C “Data Bank cum Planning Cell”  
Office of Principal Accountant General (Civil Audit),  
Odisha, Bhubneshwar – 751001
59. Library Chaiman,  
National Institute of Public and Finance and Policy,  
18/2, Satsang Vihar Marg,  
Special Institutional Area, New Delhi – 110067
60. Deputy Director,  
LBS National Academy of Administration, GOI, Mussourie,  
Uttarakhand – 248179
61. Deputy Accountant General (Civil – I),  
Office of Principal Accountant General,  
Planning Cell/ ECPA Rajasthan, Jaipur – 302005
62. Library Chairperson,  
Central Library, Town Hall,  
Harniman Circle Court, Mumbai – 400023
63. Library Chairperson,  
National Library,  
Velvender, Kolkata – 700027
64. Library Chairperson,  
Konemara Public Library, Penthon Road, Egmore, Chennai – 600008
65. Library Chairperson,  
Government of India, Central Secretariat Library, New Delhi – 110001
66. Chief Library Chairperson,  
Lok Sabha Secretariat, Parliament Library, New Delhi – 110001
67. Library Chairperson,  
GOI, Ministry of Finance,  
Library and Publication Section, Department of Economic Affairs,  
North Block Avenue, New Delhi – 110001
68. Director,  
Indian Council of Social Science Research,  
Southern Regional Centre, Osmania University Library,  
Hyderabad – 500001
69. Director,  
Finance Committee, 9<sup>th</sup> and 10<sup>th</sup> building,  
Badodara bank bhawan,  
16, Sansad Marg, New Delhi – 110001
70. Library Chairperson,  
Uttarakhand Administration Academy,  
Government of Uttarakhand, Nainital – 263001
71. Commissioner,  
Internal Audit and Special Secretary,  
(Finance Department Secretariat West Bengal)  
Todi Mehbhan, 8<sup>th</sup> Floor,  
P-15, Indian Exchange Palace Extension,  
Kolkata, West Bengal – 700073

- 72. Advisor,  
(I&CAD)  
Planning House, Sansad Marg, New Delhi – 110001
- 73. Accountant General (Audit and Entitlement)  
Zero point Baloda bazar Road,  
Chhattisgarh, Raipur - 492001