



GOVERNMENT OF KERALA

**Finance (IAC-A) Department**

**CIRCULAR**

No. 33/2011/Fin.

*Dated, Thiruvananthapuram, 4th June, 2011.*

*Sub:—Finance (IAC-A) Department—Strengthening of Internal Audit System in the State—Reviewed—Instructions issued.*

*Ref: —(1) Circular No. 96/03/Fin. dated 19-12-2003.*

*(2) Circular No. 32/09/Fin. dated 10-6-2005.*

In the circulars cited, instructions were issued to all Heads of Department for strengthening the existing Internal Audit System in all Government Departments. Based on the instructions, all Government Departments shall constitute an Internal Audit Wing and conduct audit of the offices under their control and they were also directed to furnish a copy of the audit reports to Finance (IAC) Department and to report grave irregularities to Government immediately. The broad aim of audit is to safeguard the financial interest of the State and to uphold and promote public accountability and sound financial management practices. It is noticed that the Internal Audit Wings functioning in various departments are not giving due attention to follow-up action on the audit conducted. Even when grave financial irregularities/misappropriations are noticed, the officers concerned have not reported the same to Government on time. PAC has repeatedly expressed its displeasure on the functioning of the Internal Audit Wings in the State and has recommended to take immediate remedial measures to ensure that an effective Internal Audit System in the State.

In the above circumstances, Government have examined the matter in detail and have ordered to all Heads of Departments to strictly and scrupulously adhere to the instructions stipulated in the aforesaid circulars for an effective Internal Audit System in the State, as it is an integral part of internal control of financial discipline and transparency in Government accounts.

SANJAY GARG,

*Secretary (Finance Expenditure).*

To

The Principal Accountant General (Audit), Kerala, Thiruvananthapuram  
(with C. L.).

The Accountant General (A&E), Kerala, Thiruvananthapuram (with C. L.).

All Heads of Departments and Offices.

All Departments (All Sections) of the Secretariat.

All Principal Secretaries/Secretaries/Special Secretaries/Additional  
Secretaries/Joint Secretaries/Deputy Secretaries/Under Secretaries to  
Government.

The Secretary, Kerala Public Service Commission (with C. L.).

The PS to the Leader of Opposition.

The Registrar, University of Kerala/Cochin/Calicut/Kannur (with C. L.).

The Registrar, Mahatma Gandhi University, Kottayam (with C. L.).

The Registrar, Kerala Agriculture University, Thrissur (with C. L.).

The Registrar, Sree Sankaracharya Sanskrit University, Kalady (with C. L.).

The Registrar, High Court of Kerala, Ernakulam (with C. L.).

The Director, Information and Public Relations.

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