



GOVERNMENT OF KERALA

Finance (Inspection NT-D) Department

CIRCULAR

No. 1/2026/FIN

Thiruvananthapuram. Dated.05-01-2026.

Sub: Finance Department Implementation of recommendations of Public Accounts Committee (PAC) - Time-bound action by Heads of Departments - Instructions - Issued.

Ref:- 1. The 69th report of Public Accounts Committee (2023-26).
2. The 83rd report of Public Accounts Committee (2023-26).

As per Para 1.34 of the Report, under reference 1, the Public Accounts Committee has emphasised the need for prompt, effective and time-bound action in all cases of misappropriation, defalcation, theft and loss of Government money and property. Further, vide para 7 of the Report under reference 2, the Public Accounts Committee has expressed its serious displeasure over the delay in registration of FIRs in several cases of misappropriation and defalcation of Government money. The Committee has also observed that defalcators are taking undue advantage on account of such delays on the part of the Departments and has, therefore, recommended immediate initiation of departmental and legal action against the defaulters and directed strict, effective and time-bound follow-up measures in all such cases.

In this context, all Heads of Departments are hereby instructed to ensure that, in every case of misappropriation, defalcation, theft or loss of Government money or property pointed out in PAC Reports or in the Reports of the Comptroller and Auditor General of India, the following actions are taken without delay.

(i) Ensure immediate actions in every case of misappropriation, defalcation, theft or loss of Government money or property, and ensure timely legal actions including the registration of FIRs by the concerned authority wherever warranted, strictly in accordance with law. Any delay in initiating such procedures shall be viewed seriously and responsibility for such delay shall be vested with the officers concerned.

(ii) Take action to ensure prompt follow-up, including fixation of responsibility and effecting recovery, wherever applicable, in cases of loss, theft or misappropriation of Government money pointed out in the reports of the PAC and the C&AG for the relevant years.

(iii) Prescribe definite timelines for completion of departmental action in each case and ensure that such timelines are strictly adhered to, so as to avoid delay and enforce accountability.

(iv) Furnish Action Taken Reports (ATRs) in respect of the above matters to the Finance Inspection (NT-D) Wing within the stipulated time, for submission of final ATRs to the PAC.

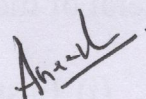
Since the action taken in the matter is to be submitted before the Committee on Public Accounts, any lapse or delay in complying with these instructions will be viewed seriously.

K R JYOTHILAL
ADDITIONAL CHIEF SECRETARY (FINANCE)

To :-

The Accountant General (Audit-I & II), Kerala, Thiruvananthapuram.
The Accountant General (A&E), Kerala, Thiruvananthapuram.
All Additional Chief Secretaries/Principal Secretaries/Secretaries/Special Secretaries/Additional Secretaries/Joint Secretaries/Deputy Secretaries to Government.
All Heads of Departments concerned.
The information & Public Relation Department.
Finance (PAC A&B) Department.
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