

**DIRECTORATE OF LOCAL FUND AUDIT,
TREASURY & ACCOUNTS BHAWAN,
2ND FLOOR, UNIT-III, KHARAVELANAGAR,
ODISHA, BHUBANESWAR**

No.....1870...../DLFA
XIV (Aud)107/2015

Date.....11.02.16.....

From,

Sri Ajay Kumar Das
Director.

To

The Audit Officer, Bhubaneswar and all the District Audit Officers,
Local Fund Audit.

Sub. : Occurrence of anomalies/ errors detected in scrutiny of approved Audit
Reports at DLFA level and compliance there to.

Sir/Madam,

With reference to the subject cited above I am constrained to say that certain errors and anomalies have come to the notice in a number of approved audit reports of Panchayat Samit in the process of scrutiny at this level. Report compliance has been sought from the concerned D.A.Os ,the list in respect of which is attached at Annexure-A. Inadequacy and inaccuracy noticed in audit reports not only vitiates the very purpose of audit but also fails to have any impact on the auditee institution as well. This apart, deficiency in presentation of vital facts and financial data creates further complications in subsequent stages of surcharge action and also laying of Annual Report on Floor of the Legislative Assembly which may be well construed as the apex action of the DLFA.

Keeping in view all these matters, the D.A.Os are here by strictly instructed to take utmost care in order to ensure flawless reporting before approval of audit reports and sensitize the Auditors/ Audit Superintendents under their control to follow the relevant guidelines issued earlier in this regard and take all care in presentation of facts and figures in audit reports with all accuracy. The errors/ anomalies as detected are circumscribed and encapsulated as follows for your reference in future and necessary action as deem fit:-

- (j) Accurate and wholesome comments must be furnished in relevant Paras concerning Non-production Records/ Non-maintenance of statutory Registers/Grant position/ U.C position/ Investment position/Diversion of Funds etc. as the occasion so warrants which is found wanting in certain reported cases.

(ii) Physical verification of Cash and other valuable documents on the 1st date of audit is very important as it is indicative of the state of affairs of the Local

P.T.O.

Authority as to intent and maintenance of up-to-date records. Requisite comments in categorical terms must be furnished in this regard without any ambiguity.

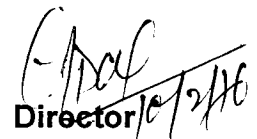
(iii) Quotation of relevant Rules and Circulars must be invariably made in the event of violations thereof. But educative enumeration of Rules and Regulations without any occasion and occurrence is not desirable as it may be misconstrued as an affront to Local Authority.

(iv) Fixing up responsibility in respect of Officials must be traced and related to their role, responsibility, and involvement as per records, as otherwise it may go against the principles of Natural Justice and vitiate the very purpose of subsequent surcharge action.

(v) In case of errors involving financial discrepancy and having the potential of changing the perspective of the facts and figures in the Para, necessary corrigendum may be effected accordingly.

The above instructions are to be followed scrupulously.

Yours faithfully


Director/10/2/16

Memo No.....1871...../DLFA,

Date.....11-02-16..

Copy forwarded to all Officers/ all Audit Superintendents/ Smt.Minati Sahoo,T.D,NIC,FID,FD for information and necessary action.


Assistant Director

ANNEXURE-A

Sl.No	Name of The Audit Districts	Audit Report of The Institution scrutinized	Report Compliance sought by DLFA	Compliance Submitted by the D.A.Os/A.O
1	Gajapati	Paralakhemundi P.S-2014-15	L.No.14313/Dt.19.12.15	Not yet received
2	BBSR	Baliana P.S-2014-15	L.No.95/Dt.01.01.16	- do -
3	Khurdha	Dasapalla P.S-2014-15	Good Report-Nothing to comment	Not Applicable
4	Jajpur	Pattamundai P.S-2014-15	L.No.95/Dt.01.01.16	Not yet received
5	Jajpur	Jajpur P.S-2014-15	L.No.95/Dt.01.01.16	Not yet received
6	Rayagada	Kashipur P.S-2014-15	L.No.94/Dt.01.01.16	Received Vide L.No.15/Dt.07.01.16
7	Koraput	Khairput P.S-2014-15	L.No.93/Dt.01.01.16	Received Vide L.No.94/Dt.12.01.16
8	Balasore	Simulia P.S-2014-15	L.No.95/Dt.01.01.16	Received Vide L.No.49/Dt.13.01.16