

**DIRECTORATE OF LOCAL FUND AUDIT, ODISHA**

TREASURY AND ACCOUNTS BHAWAN, 2ND FLOOR

UNIT-III, KHARAVELA NAGAR, BHUBANESWAR

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No. 2444 /DLFA Date 23-02-16  
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From

Shri A.K.Das, OFS (SAG)  
Examiner of Local Accounts-Cum-  
Director, Local Fund Audit.

To

The Audit Officer, Bhubaneswar &  
All District Audit Officers, LFA, Odisha.

Sub:-

Communication of Special Audit Report to the Line  
Departments on approval by the Examiner of Local  
Accounts.

Madam/ Sir,

It has come to notice that the Auditors/ District Audit Officers are submitting the Special Audit Reports directly to the line Departments concerned without approval of the Examiner of Local Accounts which is not permissible under Rule 13 of the Orissa Local Fund Audit Rules, 1951. Rule 13 of Orissa Local Fund Audit Rules, 1951 provides as follows:

“When an embezzlement is detected or may be inferred from any suspicious circumstances or irregularity in the accounts, the auditor shall report the circumstances immediately in writing to the Chairman or the Managing Authority of the local body concerned and also to the Examiner of Local Accounts. When the fraud or embezzlement has been fully investigated by the auditor he shall submit a report of the case to the Examiner of Local Accounts who may, if he considers it necessary, order for a detailed up-to-date audit and inform the State Government of the circumstances rendering such audit necessary.”

Hence the District Audit Officers after verifying the genuineness of the reports submitted by the Auditors on misappropriation cases are now


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required to transmit the Special Report to the Examiner of Local Accounts along with their verification reports.

In case of requisition received from other Departments, approval also to be accorded by Examiner of Local Accounts for conduct of Special Audit under the provision of Rule 13 of the OLFA Rules, 1951. In that case the Special Audit Report also to be submitted to the Examiner of Local Accounts for scrutiny and onward transmission of the same to the line Departments. In no case the Special Audit Report should be sent from the level of DAO to the Administrative Department.


This supersedes the Circular issued earlier vide this Office letter No.15984 dt. 17.10.2013.

Yours faithfully,

  
Examiner of Local Accounts-  
Cum-Director, LFA.

Memo No. 2445 /DLFA Dt. 23.02.16

Copy forwarded to the Joint Secretary to Govt., Finance (LFA) Department/ Deputy Secretary to Govt., Panchayat Raj Department/ Deputy Secretary to Govt., H & UD Department/ Deputy Secretary to Govt., Higher Education Department/ Deputy Secretary to Govt., G.A. (Vigilance) Department <sup>BDR</sup> for information & necessary action.

  
Dy.Examiner-Cum-Joint Director  
23/2/16

Memo No. 2446 /DLFA Dt. 23.02.16

Copy forwarded to all Officers of DLFA/ All Audit Superintendents, DLFA/ All Auditors, DLFA/Programme Section, DLFA/Establishment Section, DLFA for information and necessary action/Sri S.K.Sarangi, Auditor in charge of ALFA for circulation through ALFA.

  
Dy.Examiner-Cum-Joint Director  
23/2/16