



Annexure – 1

Concurrent Audit Report for the month of April' 2023 to August' 2023 on the accounts records of State/ District Health Society [DHS]/ Zilla Swasthya Samiti [ZSS] Dhenkanal.

Introductory

Sl.No	Particulars	To be filled in by the Con- Current Auditor of the DHS
1	Name of the District Health Society / ZSS	DHENKANAL
2	Name and Designation of the CDMO- Cum District Mission director, National Health Mission	DR. ASHOK KUMAR DASH
3	Name and designation of the official in charge of accounts [District Accounts Manager]	MR. GAGAN BIHARI SAHOO
4	Name Address of the Auditor	N R S M & Associates Chartered Accountants Old Usha Co. Godown Campus Meria Bazar, Buxi Bazar Cuttack, Odisha – 753001
5	Nature of Assignment	Concurrent Audit of accounts records of the District Health Society and the jurisdictional Sub-District health facilities.
6	Month of accounts records audited.	April' 2023 to August' 2023
7	Time taken for conducting the audit.	From: Dt. 11.09.2023 to Dt. 16.09.2023 and 22.09.2023 to Dt. 27.09.2023
8	Authority under which the audit was conducted.	LETTER NO: 2870 / DPMU/NHM / 2023 Dt. 25.08.2023

9	Audit carried out by [name qualification and designation of each auditor]	1. Mr. Sukanta. Prusty , Sr. Audit Manager 2. Mr. Budhan Tudu, CA Inter 3. Mr. Rajiv Kumar, Audit Assistant.			
10	Audit Supervised by	Mr. N.R Ray, FCA, Partner			
11	Names of the CHCs, SDH, PHC[N], Sub- centres an GKS visited.	1. CHC- Sriramchandrapur 2. CHC- Beltikiri 3. CHC- Odapada 4. CHC- Anlaberani 5. CHC- Birasal 6. CHC- Parjang 7. CHC – Mathakaragola 8. CHC – Bhuban 9. SDH- K. Nagar			
12	Scope of Audit	i] Accounts records of the Programmes audited in each of the Health facility : HSS IMMUNIZATION , NVBDCP, IDSP, NTEP, DBCS, NLEP, NUHM, NMHP, NTCP, NPCDCS, NPHCE, NPPC and JSY etc. [ii] Reconciliation statements, cheques issue Registers, Bank Pass Books, Advance ledgers, TDS records, vouchers guard file, vouchers etc [as mentioned in the scope of audit]			
13	Dates of discussion of the audit findings with the CDMO/ MO I/cs etc. before finalization of the Audit Report.	Sl. No	DPMU / CHC / PHC	Discussion with CDMO/ DAM/ BAM	Date
		01.	DPMU	DAM	15.09.2023 & 16.09.2023
		02.	CHC- Sriramchandrapur	BAM	11.09.2023
		03	CHC- Beltikiri	BAM	12.09.2023
		04	CHC- Odapada	BAM	13.09.2023
		05	CHC- Anlaberani	BAM	22.09.2023
		06	CHC- Birasal	BAM	24.09.2023

		07	CHC- Parjang	BAM	25.09.2023
		08	CHC – Mathakaragola	BAM	26.09.2023
		08	CHC – Bhuban	BAM	27.09.2023
		09	SDH-K. Nagar	BAM	22.09.2023
		10.	Disease Control Programme	Accountant	14.09.2023 & 23.09.2023
14	Position of submission of action taken reports [ATR] on the observations in previous months concurrent Audit Report and para wise recommendation.	ATR was not provided to us for verification and comment there on.			
15	Comparison between financial and physical performances and analysis.	Physical performance is tallied with financial figures			
16	Position of funds reflected in FMR and the books of accounts for the month.	We have cross verified the Books of Account with FMR and observed that FMR data was tallied with the cash book			

PLACE: CUTTACK

**FOR. N R S M & ASSOCIATES
CHARTERED ACCOUNTANTS**

DATE: 09.10.2023



(Handwritten Signature)
[N. R. RAY, FCA]
PARTNER
M.No.055448



MANAGEMENT LETTER
DHS, DHENKANAL
AUDIT MONTH: APRIL' 2023 TO AUGUST' 2023

Sl.No	Particulars	Con- current Auditor Observations
1	The cash books, vouchers, Bank Reconciliation Statements, positions of personal and institutional advances and action taken to adjust the same	<p>I. Cash Book</p> <p>a. Manual cash book was not maintained by DPMU and all CHC under NHM, Dhenkanal except CHC – Birasal, CHC- Mathakargola, CHC- Odapada, CHC – Parjang, CHC- Sriramchandrapur and CHC- Bhuban; but it was noticed that all manual cash book was not updated on regular basis.</p> <p>b. It was noticed that cash book was maintained through Tally ERP – 9 by both DPMU, CHC- Beltikiri and CHC- Analabereni; but it was noticed that hard copy of the cash book was not printed on regular basis.</p> <p>c. Budget Code / PIP Code was not mention in the cash book by CHCs</p> <p>d. In case of DPMU, CHC- Analabereni and CHC- Bhuban, holding account was not opened by the unit till date.</p> <p>e. In case of CHC- Beltikiri, CHC- Birasal, CHC- Mathakargola, CHC- Parjang, CHC- Sriramchandrapur, holding account was opened but separate cash book and cheque issue register was not maintained till date.</p> <p>f. Further it was noticed that CHC- Birasal, CHC- Mathakargola, CHC- Parjang, CHC- Sriramchandrapur, Holding account was opened under Current account instead of Saving account.</p> <p>g. EPF Cash book was not maintained by the DPMU.</p> <p>The details are given in our individual Report of all disease control programme and in CHC report refer Point No. 02</p> <p>II. Ledger:</p> <p>a. Manual Ledger was not maintained by the all CHC</p>

		<p>and DPMU since 01.04.2023. In case of DPMU, Ledger was maintained through Tally Prime but no hard copy was made available to us with signature of the authority.</p> <p>b. Further it was observed that ledgers were not maintained accordingly with the FMR code or budget code. Thus, it was difficult to cross verify the ledgers with FMR.</p> <p>The details are given our individual Report refer Point No. 03</p> <p>Bank Reconciliation Statement : It was noticed that under SNA account closing balance is made nil at the end of every month; hence both cash book and bank statement balance becomes NIL and hence preparation of bank reconciliation statement does not arise.</p> <p>The details are given our individual Report of all disease control programme and in CHC report refer Point No – 06</p>
2	TDS Deduction , deposits and returns	<p>➤ TDS has been deducted as per the IT rule and also deposited within due date except CHC- Analabereni, CHC- Beltikiri, CHC- Birasal, CHC- Mathakaragola, CHC- Odapada, CHC- Parjang, SDH- K.Nagar, NPPC and DPMU.</p> <p>➤ In case of DPMU, It was noticed that statutory dues like TDS, GST TDS & PT amounts are deducted from April' 2023 to August' 2023 but challan copy was not provided to us for verify.</p> <p>It was noticed that in case of Contractual vehicle payment, TDS was deducted only on Hiring charges instead of Hiring+ DOL charges. Since the contract is a composite contract. TDS should have been deducted on the entire payment made.</p> <p>TDS on GST: In case of CHC- Beltikiri, excess GST TDS was deducted. It was noticed that GST TDS was deducted from Gross amount instead of Taxable amount.</p> <p>Details are given in individual CHC/ DPMU Report as per Point No. 19 and DCP report.</p>
3	Maintenance status of various records like the ledger, journal	<p>➤ Journal Register has not been maintained and updated on regular basis in all Unit.</p>

	<p>cheques issue registers, funds receipt register, funds disbursement register, vouchers guard file, JSY payments, Register, Stock registers, fixed Assets Registers, Field visit of District/ Block officials-reports- and follow up there on</p>	<p>➤ Ledger has been maintained but it was observed that activity code number and budget code was not mentioned in the ledger book. Details are given in individual CHC/ DPMU Report as per Point No. 03</p> <p>➤ FIXED ASSETS REGISTER: In the Fixed Assets Register details of Assets like identification number, Location of the Assets and its Custodian are not recorded anywhere.</p> <p>There is no committee at DPMU / CHC/ PHC(N) and Area Hospital office for physical verification of the assets. In the absence of any record for physical verification of the Fixed Assets, no information was made available whether there was any discrepancy on physical verification.</p> <p>The details are given in individual CHC/ DPMU Report as per Point No. 16</p>
4	<p>Position of civil works-maintenance of connected records.</p>	<p>No Civil files was provided to us. In the absence of Civil files and other records we could not verify the same at DPMU.</p>
5	<p>Procurement records maintenance of records by following the procedure and other records</p>	<p>Adequate records have been maintained and proper procedures have been followed for procurement purposes except in contractual vehicle payments. Our observations are given below:</p> <ul style="list-style-type: none"> • It was noticed that in most of the cases, BPMU, RBSK vehicles were engaged at CHC without agreement since last 3/4 years. • In case of RBSK vehicle, vehicle was running without GPRS. • RBSK vehicles are engaged for more than 2/3 years without Branding / Stickers by all CHC. • In many cases vehicles are engaged under CHC which age is more than 6 to 10 year which violated the guidelines. • Vehicle hiring charges are paid on the basis of Agreement or amount fixed as per engagement letter instead of actual running / reporting as per log book with the signature of visiting Officers / Authorized Person. • It was noticed that in many cases (CHCs) Starting Kilometer and Ending kilometer was not mentioned in the log book, rather total kilometer covered was mentioned and DOL amount reimbursed on that

		<p>basis. The details are given our individual reports.</p> <ul style="list-style-type: none"> • In some cases starting and ending kilometer was mentioned on the log book but actual kilometer was not mentioned. During our visit, we have verified the vehicle meter with log book and noticed that excess kilometer booked and DOL amounts are paid on that basis. The details are given our individual CHC report.
6	FMR	We have cross verified the Books of Account with FMR and observed that FMR data was tallied with the cash book.
7	Physical and financial performance etc as mentioned in the agreement as the check list provided by the CDMO as well as the position of adherence to internal control mechanism mentioned in the operational guidelines for Financial Management issued by the Gol, delegation of financial powers issued by the Mission Directorate , NHM etc [The list is illustrative and not exhaustive for which the check list may be referred to]	There is an internal control mechanism within the organization and the same is adhered to. Delegation of Financial Power as issued by the Mission Directorate, NHM is being followed. Deviations, if any, are narrated in our detailed report.
8.	Consumable Stock Register	We have verified the Consumable Stock Register and observed that the above register was maintained and updated but it was noticed that training material are purchased but not recorded in the Consumable Stock Register.
9.	Cheque Issue Register	<p>We verified the cheque Issue Register of DPMU/ CHC and observed that cheque issue registers have been maintained properly & updated regularly on issue of every cheque as per FMG Guide but it was noticed that some cases Budget / Activity Code was not mentioned in the Register and File number & Note Sheet number was not mentioned in the PPA issue register.</p> <p>In case of Holding account, it was noticed that no cheque Issue register was maintained by CHC- Beltikiri, CHC- Birasal, CHC- Mathakargola, CHC- Odapada, CHC- Parjang, CHC- Sriramchandrapur, till the date of Audit.</p> <p>The details are given in individual CHC/ DPMU Report as per Point No. 04.</p>

10.	CL Register	CL register was not provided to us by all CHC, PHC (N) and DPMU Office during the Financial Year.
11.	ASHA Payments	ASHAs are paid their incentives before the fixed day i.e. 10 th of every month. The details are given in individual report as per Point No. 24
12.	Professional Tax	It was noticed that PT was deducted and also deposited before due date
13.	Field Visit Register	Field visit register was not maintained at all CHC office and DPMU Office till audit date.

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FOR. N R S M & ASSOCIATES
CHARTERED ACCOUNTANTS

DATE:09.10.2023



(Handwritten Signature)
 [N. R. RAY, F C A]
 PARTNER
 M.No.055448