

LOCAL FUND AUDIT, GANJAM, ODISHA

CATEGORY : N A C,General

Audit Report No : 339892/AR/2017-2018-GANJAM

PARA: 1 TITLE SHEET

1	Name of the Institution :	Hinjilicut NAC
2	Year of Accounts under Audit :	2016-2017
3	Name of the Local Authority during the year of A/Cs :	1. SRI SUSANTA KUMAR MISHRA, OAS-I, GRADE-A SB FROM-01.04.2016 TO 28.05.2016 2. SRI DEBABRATA SAHOO, OAS-I, JB FROM-28.05.16 TO 04.10.16 3. Sri Bipin Kumar Pradhan, OASp JB From 05.10.16 to 31.03.17
	Name of the Local Authority at the time of Audit :	SRI ASHOK KUMAR PANDA
4	Duration of Audit :	31-10-2017 To 20-12-2017 (Mandays Consumed :- 25)
5	Name of the Auditors :	DILLIP KUMAR SAHU - Lead Auditor(31-10-2017 to 20-12-2017) AR -GANJ 09 - Auditor(31-10-2017 to 20-12-2017)
6	Name of the Reviewing Officer :	JAGANNATH DASH(District Audit Officer)
7	Date of submission of report by Reviewing officer :	20-03-2018
8	Entry Conference Date :	13-10-2017
9	Exit Conference Date :	17-03-2018
10	Name of the District Audit Officer :	JAGANNATH DASH
11	Date of approval of report by District Audit Officer :	27-03-2018

PARA: 2 PHYSICAL VERIFICATION

S/no	Items	Date Of Physical verification Before / After Transaction	Physical Balance	Balance As per Cash Book / Stock Register	Reference To The Page No Of Cash Book / Stock Register	Discrepancies If Any
1	Miscellaneous Receipt Books	31.10.2017 BT	41 nos.-100 receipts in duplicate	41	P-154	NIL-Book No 16 to 56
2	Measurement Books	31.10.2017 BT	05 nos 200pages each	05	P-26	NIL-MB stock register maintained separately
3	Cash in hand	31.10.2017 BT	0.00	0.00	P-43	NIL-Cashier cash Book
4	Sauchalaya Receipt Book Rs2.00 each-red coloured	31.10.2017	30 nos-200 receipts with counterfoils	30	P-262	NIL-14001 to 20000 Manually 71 to 100
5	Parking Fee	31.10.2017 BT	19 nos- 100 receipts in duplicate	19	P-300	101 to 2000 -Book No - manually numbered-02 to 20
6	Sauchalaya Receipt Book Rs 3.00 each-light green coloured	31.10.2017	17 nos-200receipts each with counterfoil	17	P-260	NIL-SI 56601 to 60000 Manually 284 to 300
7	Fee receipt Books, Rs20.00 each, pink coloured	31.10.2017	183 nos-300each	183	P-149	NIL-2101 to 57000 Manually 8 to 190
8	Fee receipt Books, Rs 10.00 each, green coloured	31.10.2017	49 nos.-300 each	49	P-95	NIL-39301 to 54000 Manually 132 to 180
9	Cycle Taken-Tin yellow for 17-18	31.10.2017	900 nos.	900	P-275	NIL-1101 to 2000
10	Cart and Carriage receipt book	31.10.2017	46 nos.-100 each with duplicate	46	P-298	NIL-401 to 5000 Manually-5 to 54
11	Fee receipt Books, Rs 5.00 each, yellow coloured	31.10.2017	94 nos. -200 each	94	P-181	NIL-17201 to 36000 Manually 87 to 180
12	Service Postage Stamps	31.10.2017 BT	1642.00	1642.00	P-88	NIL
13	Holding Tax	31.10.2017 BT	38 nos	38	P-18	NIL-Receipt No.95 to 100 - 01 to 32

Comments

As required under Rule 20 Of Odisha local fund Audit Rule 1951, the Physical verification of hard cash, Unused receipt books, Unused Measurement Books, Cycle & rickshaw token and service postage stamp has been conducted on the date of commencement of Audit i.e. on 31.10.2017 before transaction and the result of verification is given above. The details of physical verification of cash recorded at page 43 of the Cashier Cash book.

The cashier shall maintain a subsidiary cash book in Form No. V-A as prescribed for recording in separate columns all the amounts received by him, the details of which are entered in Form-V and their subsequent remittance into the treasury / bank as well as money withdrawn through self - cheques and their subsequent disbursement. All the cash transactions are to be taken to the subsidiary cash book daily and entries checked and attested by the head ministerial officer and signed by the E.O.(u/r 128-A). But it is noticed that in some cases it has not been signed by the EO.

INTRODUCTORY , :-

As Per Govt. of Odisha, Housing and Urban Development Notification No. 26792/HUD, Bhubaneswar dated 18.11.2017 the **Hinjilicut N.A.C. declared Hinjilicut Municipality**. Where as the Governor of Odisha in the powers conferred by clause (2) of Article 243 Q of the Constitution of India read with sub-section (2) section 4 of the Odisha Municipal Act, 1950 (Odisha Act 23 of 1950), has specified the local area comprising the whole of the Hinjilicut Notified Area in the district of Ganjam as a Smaller Urban Area in the notification of the Government of Odisha in the Housing and Urban Development No.26789, Dated 18.11.2017.

Now, therefore, in pursuance of Clause (b) sub - section (1) of section 4 of the said Act, the State Government do here by constitute a Municipal Council for the aforesaid Smaller Urban Area with the boundaries described in the schedule below with effect from the date of issue the Odisha Gazette.

SCHEDULE

North- Kharida, Khandara, Chanduli

South-Sampur, Saru

West-Barupada, Singipur

East-Sikiri, Sasan Ambagam

History - According to local legend, there were many Hingal trees in this area. Gradually locality increased and the Hingal jungle was destroyed. Hinjilicut got its name from cutting of the Hingal trees.

Geography- Hinjilicut is located at 19.48°N 84.75°E. It has an average elevation of 30 m (98 ft). It is situated at 20 km from Silk City, Brahmapur, Odisha on East and 15 km from Sugar City, Aska on the West in NH-59 (Gopalpur-on-Sea to Ahmedabad) which is passing through this town. River Ghodahada is passing through this town. The famous and ancient Maa Taratarini Temple Hill Shrine (the Breast Shrine of Adi shakti) is 10 km and Jaugada (The site of Ashokan rock inscription of 263 B.C.) is 14 km away from Hinjilicut Town in the State Highway of Hinjilicut-Purushotampur. Also the pilgrim of second location Maa Tara Tarini at Nimigama village is 7 km from Hinjilicut.

Demographics- As of 2011 India census, Hinjilicut had a population of 24,671 (2nd biggest town after Brahmapur city in Ganjam District). Males constitute 51% of the population and females 49%. Hinjilicut has an average literacy rate of 64%, higher than the national average of 59.5%: male literacy is 74%, and female literacy is 54%. In Hinjilicut, 13% of the population is under 6 years of age.

At present the NAC consists of twenty-one number of wards represented by twenty-one councilors among them two are being elected as Chairman and Vice-chairman respectively. The NAC is entrusted with the duties to provide basic civic services like sanitation, street lighting, roads, etc, and also takes part in developmental activities within its jurisdiction. Thus committed to ensure effective planning and development by providing adequate infrastructure through various flagship schemes such as; Road Development Grant, BRGF, FCA, etc.

Para1.1 :- Demographic information:- POM-p-7

Name Of The Institution - **Hinjilicut NAC declared Hinjilicut Municipality**

Vide H.U.D Notification No. 26792/HUD, Bhubaneswar dated 18.11.2017

Area In sq Km -13.485

No of Wards - 21

Total Population of the Institution - 25129

Total Female Population - 12225

Total Male Population - 12904

SC Population - 5328

SC Female Population - 2645

SC Male Population - 2683

ST Population - 90

ST Female Population - 45

ST Male Population - 45

Minority Population -00

Minority Female Population - 00

Minority Male Population - 00

General Population - 19711

General Female Population - 9535

General Male Population - 10176

PARA: 3 LIST OF VERIFIED RECORDS

A : List Of Verified Records/Register

Sino	List Records/Register	Rules	Form No
1	Register of Works	Rule 345	Form W-VI
2	Measurement Book	Rule 365	Form W-VIII
3	Stock & Store Register of Municipality	Rule 346	Form W-VII
4	Contract Agreement Form	Rule 341	Form W-III
5	Register of Estimates & Allotments	Rule 332	Form W-I
6	Tax collector's Ledger	Rule 198	Form M
7	Stock account of Receipt Forms	Rule 196	Form L
8	Tax collector's daily collection register	Rule 192	Form K
9	Arrear Demand Register	Rule 187	Form H
10	Demand and Collection Register	Rule 178	Form B
11	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
12	Assessment List	Rule 177	Form A
13	Stock Register of Stationery	Rule 172	Form No. XLIV
14	Stamp Account	Rule 172	Form No. XLIV
15	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
16	Register of Grants	Rule 80	Form No. XLII
17	Daily Collection Register	Rule 171	Form No. XL
18	Arrear List	Rule 170	Form No. XXXIX
19	Ledger of Lessees	Rule 170	Form No. XXXVIII
20	Miscellaneous Receipts	Rule 157	Form No. XXXIV
21	Stock account of License Number Plates	Rule 155	Form No. XXXII
22	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
23	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
24	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
25	Establishment Audit Register	Rule 146	Form No. XXV
26	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
27	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
28	Register of Outstanding Advances	Rule 140	Form No. XIX
29	Advance Ledger	Rule 136	Form No. XVIII
30	Register of adjustments	Rule 132	Form No. XVII
31	Abstract Register of Expenditure	Rule 129	Form No. XVI
32	Abstract Register of Receipts	Rule 129	Form No. XV
33	Cash Book of the municipality	Rule 125	Form No. XIV
34	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
35	Periodical Increment Certificate	Rule 99	Form No. XI
36	Absentee Statement	Rule 97	Form No. X
37	Salary Bills	Rule 97	Form No. IX
38	Register of Bills	Rule 96	Form No. VII
39	Subsidiary Cash Book	Rule 128 A	Form No. V-A
40	Cashier's Cash Book	Rule 81	Form No. V
41	Subsidiary account of special taxes	Rule 79	Form No.-IV
42	Abstract of the Budget Estimate	Rule 74	Form No. I-A
43	Budget Estimate	Rule 74	Form No. I

B : List of Records/Registers not Produced to Audit

Sino	List Records/Register	Rules	Form No
1	Register of writes off of demands	Rule 190	Form J
2	Tax Receipt Form	Rule 188	Form I
3	Mutation Register	Rule 184	Form G
4	Register of Petitions	Rule 183	Form F

5	Form of appeal petition	Rule 183	Form E
6	Jamabandi Register	Rule 170	Form No. XXXVII
7	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
8	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
9	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
10	Loan Register	Rule 149	Form No. XXVII
11	Register of Investments	Rule 148	Form No. XXVI
12	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
13	Register of outstanding deposits	Rule 143	Form No. XXI
14	Deposit Ledger	Rule 142	Form No. XX
15	Permanent Advance Account	Rule 108	Form No. XII

C : List of Records/Registers not Maintained

S/no	List Records/Register	Rules	Form No
1	Miscellaneous Supply Bill	Rule 343	Form W-V
2	Nominal Muster Roll (NMR)	Rule 340	Form W-II
3	Contract Certificate	Rule 343	Form W-IV
4	Register of Distrainted property & sales	Rule 204	Form S
5	Warrant register	Rule 202	Form R
6	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
7	Distraint Warrant Register	Rule 202	Form P
8	Form of inventory & Notice	Rule 203	Form Q
9	Progress statement of collection of taxes	Rule 200	Form N
10	Register of Interest Bearing Securities	Rule 147	Form No. XLI
11	Register of Lands	Rule 160	Form No. XXXV
12	Order Book	Rule 96	Form No. VIII
13	Challan	Rule 87	Form No. VI
14	Schedule for the Budget Estimate	Rule 77	Form No. III

D : List of Records/Registers not Required

S/no	List Records/Register	Rules	Form No
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Comments

PARA: 3 LIST OF VERIFIED RECORDS - - POM-1,2,3,

1) Most of the important registers have not been maintained or maintained in a haphazardly manner although they are mandatory to be maintained in the NAC as per O.M.Rules 1950 & regulation. Production of records and registers and other forms etc were called for audit vide POM the local authority remained silent in some cases, in case of Assets Registers, Register of Distrainted property & sales, and other records & registers the local authority admitted that it is not maintained and will be maintained henceforth and produced to next audit .

In case of many registers like Abstract Register of Receipts, Abstract Register of Expenditure, Register of Investments, Register of Grants it has been maintained but not in proper format nor detail entries have not been made etc. nor any of the registers countersigned by higher authorities. For such lapses Sri SRI DEBABRATA SAHOO, OAS-I,JB,Ex-EO, is squarely responsible.

As per Rule 175(5)(i) of OGFR Voulme -I and FD OM. No. - Code-55/80-55088-F dated 30.10.1980, the grantee institutions should maintain register in Form No. OGFR 30(A) of the permanent and Semi Permanent assets acquired wholly or substantially. As per scheme guidelines, the assets created out of Govt. of India or Govt. of Odisha grants should be duly entered in the asset register, by showing the details of the source of expenditure, date of commencement and completion of works and handing over of the asset etc. In response to POM the local authority stated that it will be up-dated and produced to next audit. The local authority is suggested to ensure it.

Further as per Govt instruction asset Register should be maintained by every institution, in order to evaluate the success of a particular scheme. Moreover Rule 71(a)B,C of OMAR-2012 categorically prescribed a format for maintenance of the same. The local authority has been instructed to maintain the same with the help of accountant and produce it to next audit. In response to POM the local authority assured to maintain it and produce to next audit.

2) Half yearly physical verification of stock & stores have not been conducted as required under Rule 346 of O.M.Rule 1953, which should be conducted at a regular intervals of 6 months.

- 3) DCR register of Taxes (both arrears and current) have not been maintained properly since long.
- 4) Reconciliation of accounts figures with collection figures of DCB was not done as required under Rule 199 to 201 of OM Rule 1953.
- 5) Demand list of License fees as required under section 290 of Odisha municipality Act 1950 were not prepared before the beginning of the year.
- 6). Arrear demand were not checked by the E.O. as required under Rule 187 of OM Rules 1953.

Recommendation - Regular accounts training needs to be provided to every staff of the NAC who deal with the accounts matter. The Executive Officer and other higher authority are to personally look into the matter and review the work load, assign duty and responsibility to all staff at regular intervals so that all prescribed registers, records etc are maintained in the proper format henceforth.

PARA: 4 FINANCIAL POSITION

Hinjilicut NAC - 2016-2017

Sno	Name of the Cash Book	OB as on Date	Opening Balance(In Rs:)	Receipt during the Year under Audit(In Rs:)	Total(In Rs:)	Expenditure during the Year under Audit(In Rs:)	Closing Balance as per Audit (DD MM YYYY)	Closing Balance(In Rs:)(AUDIT)	Closing Balance as per (DD MM YYYY) Cash Book	Closing Balance(In Rs:)(CASH BOOK)	Difference (In Rs:)	Remarks
1	Accountant Cash Book	01-04-2016	1400427 67.00	11526660 6.16	25530937 3.16	61383625 00	31-03-2017	1939257 48.16	31-03-2017	1939257 48.59	-0.43	
	GRAND TOTAL		1400427 67.00	11526660 6.16	25530937 3.16	61383625 00		1939257 48.16		1939257 48.59	-0.43	

Comments

Details of closing balance as per cash book as on 31.03.2017

SI No.	Name of Bank	Related Grant Scheme	As per Cash book Closing Blance as on 31.3.2017
1	UCO Bank, Hinjilicut	Octroi Compensation	6533814.56
2	UCO Bank, Hinjilicut	Deduction and Deposite A/c	28920248.75
3	Union Bank Of India, Hinjilicut	Old Age Pension	7165845.87
4	State Bank of India, Hinjilicut	SRC Grant	10801738.37
5	State Bank of India, Hinjilicut	SJSRY	23534.10
6	State Bank of India, Hinjilicut	M.L.A LAD	65714.00
7	Andhra Bank, Hinjilicut	B.R.G.F	10125509.16
8	Union Bank Of India, Hinjilicut	C.C Road	331631.00
9	UCO Bank, Hinjilicut	MP LAD	1933943.00
10	Union Bank Of India, Hinjilicut	Solid Waste Management	8432115.08
11	Union Bank Of India, Hinjilicut	Own Fund	264635.00
12	UCO Bank, Hinjilicut	Swachha Bharat Mission	30545.90
13	Axis Bank, Berhampur	Devolution Fund (K.M & P.T)	7447526.00
14	DCB Bank, Hinjilicut	13th F.C	1299587.00
15	State Bank of India, Hinjilicut	Own Fund	7196401.00
16	Axis Bank, Berhampur	Own Fund	11968.26
17	Postal, Hinjilicut	Park and Greenery Grant	13160.42
18	Utkal Grameen Bank, Sikiri	Boundary Wal	37126.00
19	Andhra Bank, Berhampur	IDSMT Grant	8104171.50
20	Axis Bank, Berhampur	M.V Tax	255519.00
21	Axis Bank, Berhampur	Festival Grant	2498050.29
22	Bank of India, Hinjilicut	Maintenance of R&B	50000.00
23	Bank of India, Hinjilicut	Performance Based Incentive	6343265.30
24	Bank of India, Hinjilicut	SPF/SDP Fund	2316821.76

25	ICICI Bank, Hinjilicut	Road Development Grant	110120.00
26	ICICI Bank, Hinjilicut	Devolution Fund	1932791.00
27	Punjab National Bank	O.U.L.M	8496944.94
28	Union Bank Of India, Hinjilicut	14th F.C Grant	1015107.00
29	ICICI Bank, Hinjilicut	Grant Account	24960594.00
30	Sub-Treasury P.L A/c	Main of NRB	46891320.67
31	Bank of India, Hinjilicut	Own Fund	316000.00
			19,39,25,748.93

The funds kept in bank in different pass books as well as treasury, position as per the cash books and as per the pass books are dealt in Para-5.

The detailed statement of abstract of both receipt and expenditure in respect of Accountant cash book is furnished in Annexure - I & II attached to this report.

4.2- Double Entry Accrual Base Accounting system (DEABAS)-

As per H & UD Department Govt. Order No. 24970/HUD BBSR dt. 7.8.13. Double entry accrual based accounting system (DEABAS) as per Odisha Municipal (Accounts) Rules 2012 shall be effective in Hinjilicut NAC with effect from 01.10. 2013. But from verification of accounts it was found that DEABAS has been implemented in this NAC during the financial year2016-17 i.e. as on from 01.04.2016. Specific attention is drawn to Rule 67 of Odisha Municipal(Accounts) Rules 2012, cheque signing authorities and the Executive Officer should ensure maintenance of all records as per requirement under DEABAS before signing and issue of cheques. It has been categorically instructed that any payment / issue of cheques without resorting to DEABAS w.e.f 1.10.2013 shall attract disciplinary action against the official concerned. Lastly it has been directed in the said G.O. that non implementation of the DEABAS in compliance to Odisha Municipal Accounts Rule 2012 as stated above shall also attract with holding of grants- in- aids by Govt. to the defaulting ULBs. The important forms and registers as per OMAR-2012 should be immediately maintained since it violates the Govt. Order which was to be maintained w.e.f. 01.10. 2013. But it is praise worthy to mention here that the manual cash book as per DEABAS has been implemented in Hinjilicut NAC during the financial year2016-17 i.e. as on from 01.04.2016. However the cash book under DEABAS in Tally Software has been maintained since 2012-13 as stated by the local authority.

4-3)Liquid Assets and Liabilities :-

The position of asset and Liability of this NAC for the Year 2016-17 is given below basing upon the facts and figures arrived by Audit as well as information furnished by Local Authority.

Liabilities	Value	Assets	Value
Unspent balances of Grants	143286266.00	Cash in hand/in Treasury/in Bank Accounts/in Post Office as on 31.3.17	193925748.93
Loans refundable	2048090.00	Investments	0.00
Unremitted Govt. dues (VAT, Cess,Royalty, I.T. etc.)	296473.00	Advances recoverable	506722.97
Refundable deposits (SD/EMD)	6360624.81	Outstanding Taxes, rents and rates etc.(2406537.38+67575+32800+57835)	2564747.38
Unpaid Salary for 03/2017	964972.00	Loans recoverable	0.00
Arr pension	3078636.00		
Unpaid Bills(Energy Bill for 03/2017	106214.00		
Old age Pension Bill	1018300.00		
Wages for Sanitation	112600.00		
Unpaid Bills(Telephone Bill for 03/2017	3819.00		
Unpaid Pension Bill	190361.00		

Total:	157466355.81	Total:	196997219.28
Asset over Liability:	39530863.47	Liability over Asset:	0.00
Grand Total:	196997219.28	Grand Total:	196997219.28

From the above matrix of assets and liability it is seen that the assets of this NAC is excess over liabilities to the tune of Rs.39530863.47 which speaks that the financial position of this NAC is very satisfactory. However this could increase further has the outstanding loans repaid as well as utilisation of grants as and when received thereby creating assets as well.

The local authority is advised to take adequate steps for better collection of taxes, rent and fees, early realisation of outstanding advances so as to further enhance the financial condition of the NAC. Apart from that no wasteful expenditure shall be incurred by the council without prior approval of the Govt. as per section 117(A) of OM Act. If the financial status of this NAC increases further it will be in a better position to provide better services to the urban people.

4.4- Annual Budget :- - POM-p-16

- Budget (Section 104 to 110 of O.M. Act, 1950 and Rule 74 to 80 of OM Rules, 1953)

1. Section-104:- Presentation and sanction of budgets.
2. Section-107:-Sanction of budget estimate.
3. After expiry of 14 days (since presentation before the NAC), the NAC shall sanction the estimate and submit forthwith to the State Government.
4. Section-109:- Provides for approval of the budget estimate by the State Government
5. Section-109-A:-Procedure to be followed where the budget is not sanctioned.
6. If for any reason the budget is not sanctioned before the date prescribed under sub-section (1) of Section 107 the District Magistrate shall call for the budget from the Executive officer, sanction and submit to the State Govt.

At least two months before the close of year, the Chairperson shall present before the NAC a complete account of its probable receipts and expenditure for the following financial year together with the actual of the current year. But it is observed that the budget for the year 2016-17 has been prepared on 18.02.2016 and was put up for approval by the council on 29.02.16 and passed by the council on 29.02.2016(Resolution No.1/29.02.2016) and was put up for public view vide letter 515/dt.02.03.2016, no objection & suggestions were received within the stipulated days. Finally the budget was approved by the council on 15.03.2016 (Resolution No.1/Dt.15.03.2016) The Budget has been sent to the PD, District Urban Development Agency(DUDA), Ganjam vide letter No.784/Dt.30.03.2016 and to Govt. H & UD Deptt. Vide memo No.785/Dt.30.03.2016. The same was forwarded to Govt. H & UD Deptt. by the PD, DUDA, Ganjam, vide their letter No.2494/DUDA/ Dt.18.04.2016 which was approved by the Govt. H & UD Deptt vide Letter No.16716/HUD/Dt.12.07.2016.

Budget Estimate (Receipts)

Sl. No.	Purpose	Budget Estimate	Actual Receipts	Excess/Less
1	2	3	4	5
1	Rates & Taxes	1654954.00	1515032.05	139921.95
2	Licence & other fees	417500.00	210341.00	207159.00
3	Receipt under special act & revenue derived from NAC properties	4929266.00	5039692.00	-110426.00
4	Grants	85365000.00	97673446.00	-12308446.00
5	Miscellaneous	250000.00	4489570.11	-4239570.11
6	Extra ordinary & debtt	5075000.00	6338525.00	-1263525.00
	Grand Total	97691720.00	115266606.16	-17574886.16

Expenditure

Sl. No.	Purpose	Budget Estimate	Actual Expenditure	Excess/Less
1	General Administration	12990824.00	10866754.00	2124070.00
2	Public Safety	3390000.00	2073374.00	1316626.00
3	Public Health	7302000.00	4240004.00	3061996.00
4	Public Convenience & Dev Works	182576402.00	35947867.00	146628535.00
5	Miscellaneous	4139200.00	2712091.59	1427108.41.00
6	Extra ordinary & debtt	11985000.00	5543534.00	6441466.00
	Grand Total	222383426.00	61383624.59	160999801.40

Lack of coherence between estimated receipt and actual receipt

As per Rule-56 of Odisha Budget Manual, the estimation of fixed revenue should be based upon the actual demand including arrear and the probabilities of their realisation during the year. Odisha Budget Manual read with Section-108(a) of the Odisha Municipal Act, 1950 stipulates that the estimate of income and expenditure should be reasonable and proper.

Further, the said rule of the Odisha Budget Manual stipulates that the Budget estimates of revenue and receipts should be based on the existing rates of taxes, duties and fees, etc., and no increase or reduction in such rates and no proposals for abandonment of revenue which have not been sanctioned by Government should be proposed in the estimates.

Minimum closing balance:

Rule 78 of the Odisha Municipal Rules, 1953 states that in preparing the budget, provision shall be made for a minimum closing balance. The amount shall not ordinarily be less than one-sixth of the aggregate on account of establishment and fixed monthly charges for the whole year.

But on scrutiny of the Budget estimate for the year 2016-17 the budget has been prepared in an un-realistic manner.

Receipt

As per Budget	Actual	% of variation
9,76,91,720.00	11,52,66,606.16	118%

Expenditure

As per Budget	Actual	% of variation
22,23,83,426.00	6,13,83,624.59	28%

Due to such unrealistic budget the Govt. is unable to assess the actual requirement of fund for this particular NAC which results improper flow of funds. The local authority is advised to prepare realistic budget in particular budget expenditure hence forth.

4.5- Non Creation Of Sinking Fund:-

As per Section 111 of O.M. Act, 1950, read with Rule 20(d) of O.L.F.A. Rules, 1951 a provision should have been made for creation of Sinking Fund which is to be utilized for redemption of huge outstanding loans. In response to POM the local authority stated that no such fund is maintained in this NAC. No such sinking fund has been created for redemption of huge outstanding Loan amounting to Rs.2048090.00 out-standing as on 31.03.2017. Therefore the Local Authority is suggested for creation of sinking Fund.

4.6 - Creation of depreciation fund :-

No such fund has been created by this NAC to replenish assets.

PARA: 5 DETAILS OF CLOSING BALANCE AS PER BANK PASS BOOKS & CASH BOOK BANK BALANCE FIGURE

Hinjilicut NAC - 2016-2017

S/no	Name of the Bank	A/C No.	Closing Balance Date As on (dd/mm/yyyy)	Closing Balance in Pass Book(In Rs:) (A)	Closing Balance in Bank Date Cash Book (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(In Rs:) (B)	Difference(In Rs:)(A-B)	Remarks
1	UCO Bank, Hinjilicut	04210100001055	01-04-2016	4475544.56	31-03-2017	6533814.56	-2058270.00	
2	UCO Bank, Hinjilicut	04210100004761	01-04-2016	29513450.75	31-03-2017	28920248.75	593202.00	
3	Union bank of India, Hinjilicut	642402010001394	01-04-2016	6811456.87	31-03-2017	7165845.87	-354389.00	
4	State Bank of India, Hinjilicut	31516328232	01-04-2016	10815538.37	31-03-2017	10801738.37	13800.00	
5	SBI, Hinjilicut	30108956143	01-04-2016	24034.10	31-03-2017	23534.10	500.00	
6	SBI, Hinjilicut	30714599077	01-04-2016	65714.00	31-03-2017	65714.00	0.00	
7	Andhra Bank, Hinjilicut	046210011000822	01-04-2016	10548268.16	31-03-2017	10125509.16	422759.00	
8	UBI, Hinjilicut	642402010000114	01-04-2016	331631.00	31-03-2017	331631.00	0.00	
9	UCO Bank, Hinjilicut	04210100009442	01-04-2016	1933943.00	31-03-2017	1933943.00	0.00	
10	UBI, Hinjilicut	642402010002862	01-04-2016	8432115.08	31-03-2017	8432115.08	0.00	
11	UBI, Hinjilicut	642402010002993	01-04-2016	264635.00	31-03-2017	264635.00	0.00	
12	UCO Bank, Hinjilicut	277	01-04-2016	30333.00	31-03-2017	30545.90	-212.90	
13	Axis Bank, Berhampur	915010037811330	01-04-2016	7460826.00	31-03-2017	7447526.00	13300.00	
14	DCB Bank, HInjilicut	11012100003643	01-04-2016	1299587.00	31-03-2017	1299587.00	0.00	
15	SBI, Hinjilicut	31340809900	01-04-2016	7196401.00	31-03-2017	7196401.00	0.00	
16	Axis Bank, Berhampur	912010038710709	01-04-2016	68145.26	31-03-2017	11968.26	56177.00	
17	Postal, Hinjilicut	4334	01-04-2016	13160.42	31-03-2017	13160.42	0.00	
18	UGB, Sikiri	13534295559	01-04-2016	37126.00	31-03-2017	37126.00	0.00	
19	Andhra Bank, Berhampur	046210100009284	01-04-2016	8104171.50	31-03-2017	8104171.50	0.00	
20	Axis Bank, Berhampur	91401007009638	01-04-2016	3456333.00	30-03-2017	255519.00	3200814.00	
21	Axis Bank, Berhampur	914010021701846	01-04-2016	2952505.29	31-03-2017	2498050.29	454455.00	
22	BOI, Hinjilicut	559510210000006	01-04-2016	50000.00	31-03-2017	50000.00	0.00	
23	BOI, Hinjilicut	559510210000007	01-04-2016	6343265.00	31-03-2017	6343265.30	-0.30	
24	BOI, Hinjilicut	559510210000002	01-04-2016	2316821.76	31-03-2017	2316821.76	0.00	
25	ICICI Bank, Hinjilicut	327001000050	01-04-2016	110120.00	31-03-2017	110120.00	0.00	
26	ICICI Bank, Hinjilicut	327001000124	01-04-2016	1932791.00	31-03-2017	1932791.00	0.00	
27	PNB, Hinjilicut	6772000100002582	01-04-2016	8496944.94	31-03-2017	8496944.94	0.00	
28	UBI, Hinjilicut	642402010003357	01-04-2016	1015107.00	31-03-2017	1015107.00	0.00	
29	ICICI Bank, Hinjilicut	327001000143	01-04-2016	24960594.00	31-03-2017	24960594.00	0.00	
30	Sub-Treasury P.L. Account - G	66-8448	01-04-2016	46891320.67	31-03-2017	46891320.67	0.00	

31	BOI, Hinjilicut	0008	01-04-2016	316000.00	31-03-2017	316000.00	0.00
	GRAND TOTAL			196267883.73		193925748.93	2342134.80

Reconciliation

DETAILS OF CLOSING BALANCE AS PER BANK PASS BOOKS & CASH BOOK BANK BALANCE FIGURE- POM-8

SI No.	Name of Bank	A/C No.	Related Grant Own Fund	As per Cash book Closing Blance as on 31.3.2017	As per Passbook Closing Blance as on 31.3.2017	Difference
1	UCO Bank, Hinjilicut	04210100001055	Octroi Compensation	6533814.56	4475544.56	2058270.00
2	UCO Bank, Hinjilicut	04210100004761	Deduction and Deposit A/c	28920248.75	29513450.75	-593202.00
3	Union Bank Of India, Hinjilicut	642402010001394	Old Age Pension	7165845.87	6811456.87	354389.00
4	State Bank of India, Hinjilicut	31516328232	SRC Grant	10801738.37	10815538.37	-13800.00
5	State Bank of India, Hinjilicut	30108956143	SJSRY	23534.10	24034.10	-500.00
6	State Bank of India, Hinjilicut	30714599077	M.L.A LAD	65714.00	65714.00	0.00
7	Andhra Bank, Hinjilicut	046210011000822	B.R.G.F	10125509.16	10548268.16	-422759.00
8	Union Bank Of India, Hinjilicut	642402010000114	C.C Road	331631.00	331631.00	0.00
9	UCO Bank, Hinjilicut	04210100009442	MP LAD	1933943.00	1933943.00	0.00
10	Union Bank Of India, Hinjilicut	642402010002862	Solid Waste Management	8432115.08	8432115.08	0.00
11	Union Bank Of India, Hinjilicut	642402010002993	Own Fund	264635.00	264635.00	0.00
12	UCO Bank, Hinjilicut	277	Swachha Bharat Mission	30545.90	30333.00	212.90
13	Axis Bank, Berhampur	915010037811330	Devolution Fund (K.M & P.T)	7447526.00	7460826.00	-13300.00
14	DCB Bank, Hinjilicut	11012100003643	13th F.C	1299587.00	1299587.00	0.00
15	State Bank of India, Hinjilicut	31340809900	Own Fund	7196401.00	7196401.00	0.00
16	Axis Bank, Berhampur	912010038710709	Own Fund	11968.26	68145.26	-56177.00
17	Postal, Hinjilicut	4334	Park and Greenery Grant	13160.42	13160.42	0.00
18	Utkal Grameen Bank, Sikiri	13534295559	Boundary Wal	37126.00	37126.00	0.00
19	Andhra Bank, Berhampur	046210100009284	IDSMT Grant	8104171.50	8104171.50	0.00
20	Axis Bank, Berhampur	91401007009638	M.V Tax	255519.00	3456333.00	-3200814.00
21	Axis Bank, Berhampur	914010021701846	Festival Grant	2498050.29	2952505.29	-454455.00
22	Bank of India, Hinjilicut	559510210000006	Maintenance of R&B	50000.00	50000.00	0.00
23	Bank of India, Hinjilicut	559510210000007	Performance Based Incentive	6343265.30	6343265.00	0.30
24	Bank of India, Hinjilicut	559510210000002	SPF/SDP Fund	2316821.76	2316821.76	0.00
25	ICICI Bank, Hinjilicut	3270010000050	Road Development Grant	110120.00	110120.00	0.00
26	ICICI Bank, Hinjilicut	3270010000124	Devolution Fund	1932791.00	1932791.00	0.00
27	Punjab National Bank	6772000100002582	O.U.L.M	8496944.94	8496944.94	0.00
28	Union Bank Of India, Hinjilicut	642402010003357	14th F.C Grant	1015107.00	1015107.00	0.00
29	ICICI Bank, Hinjilicut	3270010000143	Grant Account	24960594.00	24960594.00	0.00
30	Sub-Treasury P.L A/c	66G8448	Main of NRB	46891320.67	46891320.67	0.00

31	Bank of India, Hinjilicut	0008	316000.00	316000.00	0.00
Total			193925748.93	196267883.73	-2342134.80

Reconciliation

Para: 5 Details of closing balance as per bank pass books & cash book bank balance figure - POM-8

Sl No.	Scheme	Bank	A/c No.	Date	Cheque No.	Debit	Amount (-)	Amount (+)	Difference Total	Particulars	Particulars
1	Name of the bank		UCO Bank				C.B As per Cashbook	6533815			
	Account No.		1055				C.B As per Passbook	4475545			
							Difference	2058270			
1	Own Fund	UCO Bank	1055	3.08.12	968719		2000			Smt. Laxmi Sethy	Cheque issued but not encashed
2	Own Fund	UCO Bank	1055	15.09.12	968759		2000			Kanak Sahu	Cheque issued but not encashed
3	Own Fund	UCO Bank	1055	19.11.12	969613		1000			Gourahari Sahu	Cheque issued but not encashed
4	Own Fund	UCO Bank	1055	4.12.12	969639		290			Gopal Ch Sahu	Cheque issued but not encashed
5	Own Fund	UCO Bank	1055	25.4.13	970537		8121			Odisha Express, BbSR	Cheque issued but not encashed
6	Own Fund	UCO Bank	1055	20.5.13	970545		1000			Trnath Sabat	Cheque issued but not encashed
7	Own Fund	UCO Bank	1055	20.5.13	970546		1000			Abanti Ku Sahu	Cheque issued but not encashed
8	Own Fund	UCO Bank	1055	20.5.13	970848		1000			Chitrasen Nahak	Cheque issued but not encashed

9	Own Fund	UCO Bank	105521.8.13	567151		3000		Deejanshu Media Pvt ltd	Cheque issued but not encashed
10	Own Fund	UCO Bank	105511.2.14	567763		3000		The Political & Business Daily	Cheque issued but not encashed
11	Own Fund	UCO Bank	105511.2.14	567708		1000		Orissa Express, BBSR	Cheque issued but not encashed
12	Own Fund	UCO Bank	105511.2.14	567772		1000		Sarbasadhar ana BBSR	Cheque issued but not encashed
13	Own Fund	UCO Bank	105511.2.14	567773		1000		Dainikasha	Cheque issued but not encashed
14	Own Fund	UCO Bank	105511.02.14	567774		1000		Suryaprabha , BBSR	Cheque issued but not encashed
15	Own Fund	UCO Bank	105528.7.14	622914		1000		Parikhita Sahu	Cheque issued but not encashed
16	Own Fund	UCO Bank	105519.11.14	623582		1000		Nabeen	Cheque issued but not encashed
17	Own Fund	UCO Bank	105519.11.14	623584		1000		Hiranchal Publication	Cheque issued but not encashed
18	Own Fund	UCO Bank	10553.2.15	342087		1000		Sridhar Sahu	Cheque issued but not encashed
19	Own Fund	UCO Bank	105520.2.15	342412		1000		Lambodar Nahak	Cheque issued but not encashed

20	Own Fund	UCO Bank	10556.5.15	34228	2000		Pragatibadi	Cheque issued but not encashed
21	Own Fund	UCO Bank	105512.5.15	342440	1000		Santosh Ku Panigrahy	Cheque issued but not encashed
22	Own Fund	UCO Bank	105520.06.15		3419		Southco, Aska	Cheque issued but not encashed
23	Own Fund	UCO Bank	10551.8.15	344922	1000		Saraswati Swain	Cheque issued but not encashed
24	Own Fund	UCO Bank	105511.8.15	344936	100		Asst. Director, Directorate Economic Stastitics	Cheque issued but not encashed
25	Own Fund	UCO Bank	10553.11.15	346265	1000		Capital Postar, BBSR	Cheque issued but not encashed
26	Own Fund	UCO Bank	105531.12.15	346637	1000		Odisha Express, BbSR	Cheque issued but not encashed
27	Own Fund	UCO Bank	105531.12.15	346644	1000		Pratha Sarati BBSR	Cheque issued but not encashed
28	Own Fund	UCO Bank	10554.3.16	297409	1000		Susanta Panda	Cheque issued but not encashed
29	Own Fund	UCO Bank	105522.7.16	372129	1000			Cheque issued but not encashed

30	Own Fund	UCO Bank	1055	22.7.16	372131		1000				Cheque issued but not encashed
31	Own Fund	UCO Bank	1055	19.10.16	373677		2000				Cheque issued but not encashed
32	Own Fund	UCO Bank	1055	3.12.16	138466		3000				Cheque issued but not encashed
33	Own Fund	UCO Bank	1055	3.12.16	138467		1000				Cheque issued but not encashed
34	Own Fund	UCO Bank	1055	20.1.17	137153		3000				Cheque issued but not encashed
35	Own Fund	UCO Bank	1055	20.1.17	137155		3000				Cheque issued but not encashed
36	Own Fund	UCO Bank	1055	28.2.17	137173		1500				Cheque issued but not encashed
37	Own Fund	UCO Bank	1055	28.2.17	137176		1500				Cheque issued but not encashed
38	Own Fund	UCO Bank	1055	28.2.17	137177		1500				Cheque issued but not encashed
40	Own Fund	UCO Bank	1055	24.3.17	137194		19099				Cheque issued but not encashed
41	Own Fund	UCO Bank	1055	24.3.17	137194		5859				Cheque issued but not encashed

42	Own Fund	UCO Bank	105530.3.17			1448			Cheque issued but not encashed
43	Own Fund	UCO Bank	105530.3.17	137196		1100			Cheque issued but not encashed
44	Own Fund	UCO Bank	105530.3.17	137197		600			Cheque issued but not encashed
45	Own Fund	UCO Bank	105531.3.17	020401		205100	6		Cheque deposited in Bank but not Credited
46	Own Fund	UCO Bank	105524.3.17	137138		96800			Cheque deposited in Bank but not Credited
		Total				89536	214780	205827	
							6	0	
2	Name of the bank		UCO Bank			C.B As per Cashbook	289202		
	Account No.		4761			C.B As per Passbook	295134		
						Difference	-59320		
							2		
1	Octroi	UCO Bank	476123.9.14	623507		4155			Cheque issued but not encashed
2	Octroi	UCO Bank	476115.3.17			4200			Cheque issued but not encashed
3	Octroi	UCO Bank	476122.3.17			16193			Cheque issued but not encashed
4	Octroi	UCO Bank	476122.3.17			3772			Cheque issued but not encashed

5	Octroi	UCO Bank	4761	24.3.17	137&138		96800			Cheque issued but not encashed
6	Octroi	UCO Bank	4761	31.3.17			468082			Cheque issued but not encashed
Total							593202		593202	
3	Name of the bank		Union Bank			C.B As per Cashbook	716584			
	Account No.		1394			C.B As per Passbook	681145			
						Difference	354389			
1	Own Fund	Union Bank	1394	30.4.14	000971		56177			Cheque issued but not encashed
2	Own Fund	Union Bank	1394	30.9.14	005386		3085			Cheque issued but not encashed
3	Own Fund	Union Bank	1394	5.10.15	018973		62944			
4	Own Fund	Union Bank	1394	5.11.16			45663			Cheque issued but not encashed
5	Own Fund	Union Bank	1394	3.1.17			3800			Cheque issued but not encashed
6	Own Fund	Union Bank	1394	3.2.17			68587			Cheque deposited in Bank but not Credited
7	Own Fund	Union Bank	1394	30.3.17			18625			Cheque deposited in Bank but not Credited
8	Own Fund	Union Bank	1394	30.3.17			30611			Cheque deposited in Bank but not Credited

9	Own Fund	Union Bank	1394	30.3.17				169993			Cheque deposited in Bank but not Credited
			Total					52548	406937	354389	
4	Name of the bank		SBI Bank			C.B As per Cashbook		108017			
	Account No.		8232			C.B As per Passbook		108155			
						Difference		-13800			
1	O.A.P	SBI	8232	25.5.13			10800				Cheque issued but not encashed
2	O.A.P	SBI	8232	8.12.14			600				Cheque issued but not encashed
3	O.A.P	SBI	8232	8.12.14			600				Cheque issued but not encashed
4	O.A.P	SBI	8232	29.8.15	165969		900				Cheque issued but not encashed
5	O.A.P	SBI	8232	29.8.15	165981		900				Cheque issued but not encashed
			Total				13800		13800		Cheque issued but not encashed
5	Name of the bank		SBI Bank			C.B As per Cashbook		23534.			
	Account No.		6143			C.B As per Passbook		24034.			
						Difference		-500			
1	SJSRY	SBI	6143				500		500		Wrongly credited by bank on dated.
	Name of the bank		Andhra Bank			C.B As per Cashbook		1012550			
							9.16				

Account No.			822	C.B As per Passbook		1054826 8.16			
6				Difference		-422759			
1	MLA LAD	ANDB	822	30.3.17		131375			Cheque issued but not encashed
2	MLA LAD	ANDB	822	30.3.17		18625			Cheque issued but not encashed
3	MLA LAD	ANDB	822	30.3.18		242148			Cheque issued but not encashed
4	MLA LAD	ANDB	822	30.3.19		30611			Cheque issued but not encashed
Total						422759	422759		
Name of the bank			UCO Bank		C.B As per Cashbook		30545.9 0		
Account No.			277		C.B As per Passbook		30333		
					Difference		212.90		
7									Bank Charges debited by Bank
Name of the bank			Axis Bank		C.B As per Cashbook		7447526 .00		
Account No.			1330		C.B As per Passbook		7460826		
					Difference		-13300.0 0		
1	SBM	Axis	1330	30.3.17	040204	8000			Cheque issued but not encashed
2	SBM	Axis	1330	30.3.17	040204	5300			Cheque issued but not encashed
					1330 0		13300		
Name of the bank			Axis Bank		C.B As per Cashbook		11968.2 6		
Account No.			0709		C.B As per Passbook		68145.2 6		
8					Difference		-56177.0		

5.2- Transactions not made through PL account:- POM-p-56

As per Rule 85(1) of the OM Rules, 1953, all moneys received on account of the Municipality should be remitted intact to the treasury immediately. But during year under audit it is seen that funds collected through receipt books are directly deposited in bank account other than the PL. account deviating the above provision. .In response to POM- the local Authority stated that as per the instruction of Govt and to acquire more interest all money received on behalf of NAC has been parked in bank accounts and all transactions are being made from PL account during 2016-17.

5.3- Non Maintenance of Flexi Account :- - POM-p-56

As per letter no. 35425/F, dtd.12.10.2012, all Departments were asked to instruct the implementing agencies which are authorised to keep the central share and state share or only central share of the centrally sponsored plan schemes kept in bank accounts, to keep them in flexi accounts so that higher interest accruals from the scheme funds can be ploughed back to expand the coverage of the scheme without affecting fund flow for the scheme. On checking of fund position it is seen that centrally sponsored scheme like BRGF, NOAP/IGNWP are kept in savings bank accounts as well as current bank accounts instead of Flexi account for which higher interest amount could not be accrued . Two numbers of accounts were kept in current accounts out of which one current account has been closed on 11.01.2016 the other current account is still functioning for which the NAC is losing on interest. Therefore the Local Authority is advised to immediately convert/close the current accounts as well as all inoperative accounts and maintain single scheme single account and operate flexi account to acquire more interest to expand scheme fund by acquiring more interest.

In response to POM the local authority stated that the BRGF scheme is already closed & the NOAP/IGNOAP a/c will be converted to flexi account very shortly.

5.4- Cash and account branch of the NAC have been kept distinct:-POM-P-57

As per Rule 68 of the Odisha Municipal Rules, 1953 the cash and account branches office shall be kept distinct from each other and under different officers who, for the purpose of these Rules, shall be termed respectively, cashier and accountant. During the year covered under audit as well as at the time of audit it is noticed that in this NAC the cash and account section are being operated separately by two different persons.

5.5 Non updation, closure of inoperative bank accounts & single scheme single account :-POM-P-57

While going through the accountant cash books with reference to the pass books it was observed that the bank accounts as below, no transactions have been made during the year 2016-17, hence such pass books along with more than one pass book for one scheme (devolution fund, own fund) may be up-dated and closed.

	Scheme	Bank	Place	Type	Account No.
1	Own Fund	Axis	Berhampur	Savings	912010038710709
2	Own Fund	Postal	Hinjilicut	Savings	1754334
3	Own Fund	UCO	Hinjilicut	CA	04210200000277
4	Own Fund	UCO	Hinjilicut	Savings	04210100001055
5	Devolution Fund	DCB	Hinjilicut	Savings	11012100003643
6	Devolution Fund	PNB	Hinjilicut	Savings	6772000100002582

In response to POM the local authority stated that single the accounts will be closed shortly.

PARA: 6 **STOCK POSITION**

Hinjilicut NAC - 2016-2017

S/no	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	x	0	0	0	0.00	0	

Comments

6.1) Non Maintenance of Dead Stock register:-

As per Rule 106 of O.G.F.R., an inventory of the dead stock should be maintained in all Government offices in form O.G.F.R. 6 showing the number received, the number disposed of (by transfer, sale, loss, etc.) and the balance in hand for each kind of article.

As per Rule 106 (iii) of O.G.F.R., the inventory should be checked by the competent administrative authority **once a year** and a certificate of the result of check recorded.

As per Rule 106 (iv) of O.G.F.R., **articles of dead stock should be verified at least once a year** and the result of verification recorded on the inventory. All discrepancies noticed must be properly investigated and brought to account immediately so that the inventory may represent the true account.

As per Rule 111 of O.G.F.R., a physical verification of all stores should be made at least once in every year by the Head of Office concerned or such other as may be specially authorised by him.

As per Rule 269 of O.G.F.R., subject to any special rules or order made by Government in this behalf, every cashier, store-keeper and other subordinate who is entrusted with the custody of cash or stores should be required to furnish security, the amount being regulated according to circumstances and to local conditions in each case under the sanction of competent authority and to execute bond setting forth the conditions under which government will hold the security and may ultimately refund or appropriate it.

On asking for dead stock position through **POM No 01 dated 31.10.2017** the local authority only supplied the dead stock position of major stocks items is given below.

Position of Dead stock position as on 31.03.2017

Sl.no	Material/ Item	Opening Balance	Receipt	Total	Stock damaged in Nos	Balance as on 31.03.2017 in Nos	Stock Register page No
1	Computer desktop	6	-	6	-	6	
2	Printer	5		5		5	
3	Air conditioner (split)	5	1	6	-	6	p-45/46
4	Air conditioner (window)	1		1		1	
5	Invertor set	3		3		3	
6	Water Purifier Kent	1		1		1	
7	Bsnl Broad Band	1		1		1	
8	Chair	9		9		9	
9	Steel chair	34		34		34	
10	Plastic chair	54		54		54	
11	Wooden table	17		17		17	
12	Oval shape table(hall)	1		1		1	
13	Steel almirah	12		12		12	
14	Wooden almirah	5		5		5	
15	Wooden rack	1		1		1	
16	Book shelf iron	1		1		1	
17	Steel rack	3		3		3	
18	Ceiling fan	11		11		11	
19	Stand fan	1		1		1	

20	Wall fan	5		5		5	
21	Wall clock	0		0		0	
22	Digital wall clock	1		1		1	
23	Camera	0	1	1	-	1	p-58/59

Stock Position of Sanitary Items

Sl.no	Material/ Item	Opening Balance	Receipt	Total	Stock damaged in Nos	Balance as on 31.03.2017 in Nos	Stock Register page No
1	Tractor & Trolley (Mahindra & Mahindra, Massey Fergesun	2	0	2		2	2-3
2	Dumper Attachment	1	0	1		1	28-29
3	Cess Pool Emptier - 3000 Ltr.	1	0	1		1	28-29
4	Water Tanker - 3000 ltr.	3	0	3		3	30-31 34-35
5	Tiffa / Fogging Machine	2	0	2		2	38-39
6	Dumperbin (Iron)	12	0	12		12	46,50
7	Dustbin (Plastic)	20	0	20		20	47
8	Dustbin (Plastic)	60	60	120		120	

Stock Position of Sanitary Items Consumable

Sl.no	Material/ Item	Opening Balance	Receipt	Total	Stock Utilised	Balance as on 31.03.2017 in Nos	Stock Register page No
1	Bleaching	2	10	12	7	5	p-9
2	Chalk Powder	0	30	30	19	11	p-9
3	Lime Powder	0	30	30	19	11	p-9

Stock Position of Electrical Items

Sl.no	Material/ Item	Opening Balance	Receipt	Total	Stock Utilised	Balance as on 31.03.2017 in Nos	Stock Register page No
1	CFL Fittings	33	0	33	33	0	P-20/SR2
2	CFL Lamp-24 watt	114	1020	1134	1020	114	P-75/ SR2
3	HSPV Lamp-250 watt	27	50	77	47	30	P-23/ SR1
4	GI Bracket	2	20	22	5	17	P-43/ SR3
5	CFL Choke-2x24 w	57	355	412	397	15	P-66/ SR3
6	Clamp MS with nut bolt	39	25	64	24	40	P-23/ SR3
7	Side Holder	60	50	110	70	40	P-98/ SR1
8	MH Lamp-400 watt	16	30	46	25	21	P-01/ SR3
9	MH Ignitor(coil)	17	50	67	36	31	P-12/ SR3
10	Wire-4mm	2	2	4	2	2	P-51/ SR3
11	PVC Tape	3	10	13	10	3	P-31/ SR3
12	LED Sand Light	0	0	0	0	0	P-62/ SR2
13	GI wire(kg)	2	0	2	2	0	P-81/ SR3
14	A-B Cable(Mtr)	800	0	800	200	600	P-91/ SR3

Irregularities noticed

1. No physical verification of stock and store has been made during the year 2016-17. As per rule 111 of OGFR Rules physical verification of all stores should be made at least once in a year by the Head of office concerned or such other officer as may be specially authorized by him on his/her behalf.
2. During the course of Audit it is noticed that electrical and sanitary materials have been purchased during the year 2015-16 which has been entered in the stock register. On further scrutiny it disclosed that "half yearly physical verification of stock & stores have not been conducted as required under Rule 346 of O.M.Rule 1953, which should be conducted at a regular intervals of 6 months. In absence of half yearly physical verification of stocks and store and certificate of competent authority, the authenticity of physical balance could not be ascertained, which may provide a scope for loss of stock and store. Moreover it is also noticed that, although the electrical purchases are entered in the stock register but the site account relating to utilisation of the same has not been maintained. Again it is noticed that as on 31.03.2017, there is a huge quantity of electrical goods in stock. Hence it is suggested to the EO to properly maintain the stock register and action taken for utilisation of same and shown to next audit. It is also noticed that the store (in-charge) is in charge of both electrical stock, site account, which should be decentralised among other staffs in order to check the proper utilisation of stock.

As per Rule 269 of O.G.F.R., subject to any special rules or order made by Government in this behalf, every cashier, store-keeper and other subordinates who are entrusted with the custody of cash or stores should be required to furnish security, the amount being regulated according to circumstances and to local conditions in each case under the sanction of competent authority and to execute bond setting forth the conditions under which government will hold the security and may ultimately refund or appropriate it. But in this NAC this rule has not been followed.

Dead Stock Register

As per Rule 106 of O.G.F.R., an inventory of the dead stock should be maintained in all Government offices in form O.G.F.R. 6 showing the number received, the number disposed of (by transfer, sale, loss, etc.) and the balance in hand for each kind of article.

As per Rule 106 (iii) of O.G.F.R., the inventory should be checked by the competent administrative authority once a year and a certificate of the result of check recorded.

As per Rule 106 (iv) of O.G.F.R., articles of dead stock should be verified at least once in a year and the result of verification recorded on the inventory.

All discrepancies noticed must be properly investigated and brought to account immediately so that the inventory may represent the true account.

But it noticed that the dead stock register has not been maintained, which needs to be maintained in the prescribed format and produced to next audit. In response to POM the local authority remained silent .

The local authority is suggested to follow the above and conduct physical verification at regular intervals of time to avoid any kind of misappropriation in future, for any lapses the local authority will be held responsible.

PARA: 7 INVESTMENT

Hinjilicut NAC - 2016-2017

S/no	Opening Balance of Investment as on (DD MM YYYY)	Opening Balance(In Rs:)	Amount Encashed during the Year under Audit(In Rs:)	Total(In Rs:)	Amount Invested during the Year under Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Audit	Closing Balance Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Investment Ledger	Closing Balance Investment Ledger(In Rs:)	Difference(In Rs:)	Remarks
1	01-04-2016	508070.00	0.00	508070.00	0.00	31-03-2017	508070.00	31-03-2017	508070.00	0.00	The position of investment has not been reflected in the accountant cash book of the NAC
	GRAND TOTAL	508070.00	0.00	508070.00	0.00		508070.00		508070.00	0.00	

DETAILS OF CB ON INVESTMENT & Comments :

DETAILS OF CB ON INVESTMENT & Comments :

PARA: 7 INVESTMENT -POM-p-14

As per Rule 148 of the Odisha Municipal Rules, 1953 a register of Government and other securities held by the NAC should be maintained. On being asked about the position of investment made during the year, local authority stated that no investments have been made during the year 2016-17. The investment register although maintained has not been countersigned by the local authority,

Details of Investment:-

Scheme of Investment	Date of Investment	Face Value	Total Amount	Page No	Remarks
Security Deposit for Electrical Connections	1960 to 1985		8070.00	30 & 31	
Shares of GUTSL	Vr No.128/28.06.2013	@Rs.10 each x 50000 shares	500000.00	32	
Grand Total			508070.00		

Suggestions:-

The local authority is suggested to review the investment register at least once in a year.

The position of investment has not been reflected in the accountant cash book of the NAC, hence the same to be taken into account and reflected in the accountant cash book. It is maintained separately in a register.

Details of GUTSL (Ganjam Urban Transport Service Limited) share certificate

Equity Shares Each of Rs	10.00
Amount Paid Up Per Share	10.00
Regd Folio No	05
Certificate No	05
Name of Holder	Hinjilicut NAC
No of Shares	50000
Distinctive Nos	899999 to 949998

PARA: 8 ADVANCE

Hinjilicut NAC - 2016-2017

S/no	Advance Outstanding as on (DD MM YYYY)	Cashbook Name	Advance Outstanding (In Rs:)	Advance Paid during the Year under Audit(In Rs:)	Total(In Rs:)	Advance adjusted during the Year under Audit(In Rs:)	Advance Outstanding as per (DD MM YYYY) Audit	Advance Outstanding Audit (In Rs:)	Advance Outstanding as per (DD MM YYYY) Cash Book	Advance Outstanding Cash Book(In Rs:)	Difference (In Rs:)	Remarks
1	01-04-2016	Accountant Cash Book	854049.97	536500.00	1390549.97	883827.00	31-03-2017	506722.97	31-03-2017	506722.97	0.00	
	GRAND TOTAL		854049.97	536500.00	1390549.97	883827.00		506722.97		506722.97	0.00	

Comments :

8.1) Total Outstanding advance as on 01.04.2016 and advance paid during the year 2016-17 and total advance adjusted during the year 2016-17

Advance Paid			To whom paid	Purpose	Adv. Outstanding at the beginning of the year	Adv. Paid during the year 2016-17 checked w/r to cash book	Total	Adv. Adjusted during the year 2016-17				Adv. Outstanding at the end of the year	Remarks
Voucher No.	Date	Year						Vr. No.	Date	Adv. Adjusted	Amount / Checked w/r to Cash book		
72	16.6.16	2016-17	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata		20000	20000	550(73)	31.3.17	20000		0	
110	18.7.16	2016-17	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata		14500	14500	550(73)	31.3.17	14500		0	
197	3.9.16	2016-17	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata		30000	30000	550(73)	31.3.17	30000		0	
306	11.11.16	2016-17	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata		30000	30000	550(73)	31.3.17	30000		0	
437	31.1.17	2016-17	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata		24000	24000	550(73)	31.3.17	24000		0	
161	9.8.16	2016-17	Abhiram Sahu, O.M	Celebration of Ind. Day & LSG day	70	45000	45070	226	01.10.16	45000		70	Adjusted vide Vr No.6/17/dt. 2.1.18
235	25.8.15	2015-16	Abhiram Sahu, O.M	LSG day	35000		35000			35000		0	
217	25.01.16	15-16	Abhiram Sahu, O.M	Republic Day	5000		5000			4953		47	Adjusted vide Vr No.6/17/dt. 2.1.18
524	11.1.15	14-15	Abhiram	MPCC	20000		20000			14374		5626	Adjusted

			Sahu, O.M	Building								vide Vr No.6/17/dt. 2.1.18
235	28.8.12	12-13	Abhiram Sahu, O.M		30000		30000				30000	
432	24.1.17	2016-17	Abhiram Sahu, O.M	Celebration of Republic day		5000	5000	53424.3.17		5000	0	
179	29.8.16	2016-17	M.R. Das, J.E.	Lokarpana Stone of 8 projects on LSG day 31.8.16		48000	48000	55131.3.17		48000	0	
180	29.8.16	2016-17	M.R.Panda, J.E.	Lokarpana Stone of 8 projects on LSG day 31.8.16		40000	40000	55231.3.17		40000	0	
492	2.3.16	2015-16	M.R.Panda, J.E.	Wall Clock	1000		1000	2820.4.16		1000	0	
							0				0	
248	6.10.16	2016-17	Staff	Festival Advance		280000	280000			142000	138000	
102	3.6.15	2015-16	Rama Krushna Das	Daughters Marriage	40000		40000	3223.4.16		40000	0	
366	28.11.15	2015-16	A.M.R. Achari	Personal Expenses	50000		50000	3223.4.16		50000	0	
366	28.11.15	2015-16	Staff	Festival Advance	160000		160000			160000	0	
386	28.11.15	2015-16	Kora Behera, Sweeper	DA Advance	50000		50000	3223.4.16		50000	0	
166	02.8.14	2014-15	Aswini Kumar Nayak, J.A.	Dengue Awareness	10000		10000				10000	
165	02.8.14	2014-15	E. Jangyanarayan Patro, O.P.	DA Arrear	70000		70000	3223.4.16		70000	0	
222	4.9.14	2014-15	Sushanta Ku. Behera, Sweeper	DA Arrear	50000		50000	3223.4.16		50000	0	
278	27.9.14	2014-15	34 nos. of staff	Puja Advance	10000		10000	3223.4.16		10000	0	
603	10.2.12	2011-12	Prabhakar Swain, Driver	Purchase of Diesel	2192		2192				2192	
	Prior to 2010-11		Detail not available previous reports		320787.97		320787.97				320787.97	
					854049.97	536500	1390549.97			883827	0	506722.97

8.1) NON ADJUSTMENT OF LONG OUTSTANDING ADVANCE amounting to Rs 506722.97(POM P-58,59)

As per provisions of SR 509 of Orissa Treasury Code (Vol-I) and Rule 136 to 140 of OM Rules, 1953 and instruction of the Finance Department, advance granted to contractors and individuals for departmental and allied purpose were required to be promptly adjusted within one month from the date of disbursement of advance by submitting detailed accounts and refunding balances, if any. An advance ledger is to be maintained in each ULB recording person wise separate accounts of such advance as the same is to be balance and signed by the Executive Officer on quarterly basis. The Drawing and Disbursing Officer was responsible for any deviation of the same. Rule 14 of OGFR provides that every officer whose duties to render accounts on returns in respect of public money is responsible for their completeness and strict accuracy. According to the govt. instructions, each item of outstanding advances as appearing in the Cash Book of the DDO is to be analyzed and get adjusted within one month as delay in enduring detailed accounts may lead to misappropriation of funds. Besides above as per the Govt. in

Finance Deptt. Lr. No. 2221/F. Dt. 08.03.2002 any advance outstanding for more than one year is treated as loss to the auditee organization and the amount is recoverable through surcharge proceedings.

On checking of the advance position revealed that **Rs 506722.97**

remained unadjusted as on **31st. March 2017** though the period of pendency ranged from one to 20 years and even more. Hence, the Executive Officer is advised to take effective steps for adjustment of advance either through voucher adjustment or through effecting recovery.

On issue of POM to confirm the fact and asking the reason for non adjustment of long outstanding advance, the local Authority stated that steps would be taken to sort out the old advances and suitable steps would be taken for their early adjustment.

Therefore the executive officer is suggested to adjust the old advances as soon as possible and compliance reported.

8.2) Year wise break up of Outstanding Advances as on 31.03.2017:-

Year wise break up of Outstanding Advances as on 31.03.2017 is furnished below basing upon the facts and figure of last and previous audit reports as there is no outstanding advance ledger has been maintained by this NAC.

Year	Amount of outstanding advances
Prior to 2010-11	320787.97
2011-12	2192.00
2012-13	30000.00
2013-14	NIL
2014-15	15626.00
2015-16	117.00
2016-17	138000.00
TOTAL	506722.97

8.3) Advance remaining outstanding for more than one year.

a) As per the Govt. in Finance Deptt.Lr. No. 2221/F. Dt. 08.03.2002 any advance outstanding for more than one year is treated as loss to the auditee organisation and the amount is recoverable through surcharge proceedings. It is praise worthy that in this NAC that the advance paid during 2015-16 and remaining un-adjusted as on 31.03.2017 amounting to Rs.117.00 which is due for surcharge. On issue of POM-the local authority recovered Rs 117/- vide M.R.No. 6/17/ Dt.02.01.2018 {Out of Rs.5743 (70+47+5647)} .Hence the para dropped.

b) On checking of the advance paid & adjustment position for the period it is noticed that a sum of Rs.14374/- advance adjusted as on 31.3.2017 which a sum of Rs 20000.00 advance had been paid previously vide vr. No.524/Dt 11.1.15 to Sri Abhiram Sahu, OM towards maintenance of MPCC Building. The advance submitted vouchers amountings which the balance amount of Rs 5626.00(20000-14376) not deposited in Muncipal fund which is more irregular .Immediate & effective step need be taken to recover the balance amount from Sri Sahu as early as possible. In response to audit objection statement the entire amount recovered vide M.R.No. 6/17/ Dt.02.01.2018 {Out of Rs.5743 (70+47+5647)} .Hence the para dropped.

8.4 - Non Maintenance of Outstanding advance ledger: -(POM P-58,59)

As per Rule 136 to 140 of Odisha Municipal Rules, 1953 an **Advance Ledger** (Rule 136 Form No. XVIII) is to be maintained in each ULB, recording person wise separate accounts of such advances. Advances shall be regularly and promptly adjusted and any unspent balance of an advance shall be immediately refunded.

The different accounts in the advance ledger shall be balanced quarterly and signed by the Executive Officer & thus an **Outstanding Advance Ledger** (Rule 140 Form No. XIX) is to be maintained on quarterly basis. But in this N.A.C. the **Advance Ledger** has not been maintained as well as **Outstanding Advance Ledger** though maintained in the prescribed register is not maintained as per the prescribed format. As a result there is every chance of misrepresentation of outstanding advance position at any point in real time, which means the true and fair picture of outstanding advance position may not be available when required. Further it is seen that advance position is not reflected in the closing balance of the cash book(s). Whenever any advance is paid or adjusted the effect of the same should reflect in the closing balance of the cash book.

Hence it is advised to maintain **Advance Ledger** (Rule 136, Form No. XVIII) & **Outstanding Advance Ledger** (Rule 140, Form No. XIX) and include outstanding advance figure in the closing balance of the cash book

In response to POM the local authority stated that the outstanding advance ledger would be maintained as per prescribed format. Therefore the local authority is suggested to maintain the above mandatory records and compliance reported to next Audit.

8.5-Advance paid during the year 2016-17 and advance adjusted during the same year i.e.2016-17

Advance paid during the year 2016-17 and advance adjusted during the same year i.e.2016-17						
SI NO.	Advance Paid	To whom paid	Purpose	Adv. Amount	Adv. Adjusted during the year 2016-17	Adv.

									Outstanding at the end of the year i.e.31.3.2017
	Voucher No.	Date				Vr. No.	Date	Adv. Adjusted	
1	72	16.6.16	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata	20000	550(73)	31.3.17	20000	0
2	110	18.7.16	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata	14500	550(73)	31.3.17	14500	0
3	197	3.9.16	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata	30000	550(73)	31.3.17	30000	0
4	306	11.11.16	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata	30000	550(73)	31.3.17	30000	0
5	437	31.1.17	S.R.Patnaik, C.O.	Payment of haris Chandra Sahayata	24000	550(73)	31.3.17	24000	0
6	161	9.8.16	Abhiram Sahu, O.M	Celebration of Ind. Day & LSG day	45000	226	01.10.16	45000	0
7	432	24.1.17	Abhiram Sahu, O.M	Celebration of Republic day	5000	534	24.3.17	5000	0
8	179	29.8.16	M.R. Das, J.E.	Lokarpana Stone of 8 projects on LSG day 31.8.16	48000	551	31.3.17	48000	0
9	180	29.8.16	M.R.Panda, J.E.	Lokarpana Stone of 8 projects on LSG day 31.8.16	40000	552	31.3.17	40000	0
10	248	6.10.16	Staff	Festival Advance	280000			142000	138000
					536500			398500	138000

PARA: 9 **GRANTS**

Hinjilicut NAC - 2016-2017

S/no	Grants Outstanding as on (DD MM YYYY)	Grants Outstanding (In Rs:)	Grants Received during the Year under Audit(In Rs:)	Total(In Rs:)	Grants Spent during the Year under Audit(In Rs:)	Grants unspent as on (DD MM YYYY)	Grants unspent (In Rs:)	Remarks
1	01-04-2016	107479551.00	85342400.00	192821951.00	49535685.00	31-03-2017	143286266.00	
	GRAND TOTAL	107479551.00	85342400.00	192821951.00	49535685.00		143286266.00	

Comments :

9.1) Non utilisation of Cent percentage of Grants:- (POM P-59,60)

Rule 171(3)(1) of OGFR Vol-I, provides that the grants sanctioned shall be spent within a year from the date of sanction. The unspent balance of the previous year's grant has either to be surrendered to Govt., or it has to be taken into accounts in subsequent year's grant with prior approval of the sanctioning authority.

On going through the previous year audit report, it is noticed that on 1st April '2016, a huge amount of unspent balances of Rs. **107479551.00** was lying with this NAC under various schemes for years together. Fresh grants to tune of Rs **85342400.00** were also released without verifying the unspent position of earlier grants. From the above table, it may be seen that the expenditure incurred was only **Rs.49535685.00** while total fund available was **Rs.192821951.00** the percentage of utilization of the grants in NAC needs to be increased in comparison to the total grants available for utilization under different developmental schemes. The overall utilization of grants of this ULB for the year 2016-17 is **25.68 %** only. This indicates that the Govt. money released to this Municipality for developmental works is not being utilized for the intended purposes in time. The delay in implementation of developmental programmes defeats the very purpose of the schemes.

The less utilisation of funds was mainly due to non preparation of budget estimates, inadequate monitoring and planning etc. The Executive Officer concerned assured to take steps for utilisation of the funds soon. But such assurance cannot bear fruit in the absence of proper monitoring and planning. Hence steps may be taken to utilize the same with approval of the sanctioning authority and proper planning and monitoring may be made for the same and compliance reported to audit.

9.2) Utilisation Of Major Grants for the year 2016-17:-

The utilisation of major grants received during the FY-2016-17 and unspent Govt grants as on 01.04.2016 is given below.

Annexure - III							
Details of Govt. grants received and utilised during the year 2016-17 of of Hinjilicut Municipality							
SI No.	Purpose of Grants	Opening	Letter No/Date	Receipt 2016-17	Total	Expenditure 2016-17	Closing Balance on 30.3.17
A	Recurring Grant	0.00					
1	Octroi Compensation	0.00	16216/4.7.16	6185000	0	0	0
		0.00	11013/6.5.16	3093000	0	0	0
		0.00	26525/11.11.16	4639000	0	0	0
		0.00		4458000	0	0	0
		0.00		181000	0	0	0
	TOTAL	12438888.00		18556000	30994888.00	18630148	12364740.00
B.	Non Recurring Grant						
1 .	Maintenance of R&B	3758447.00	969/13.1.17	2826000	6584447.00	1319693.00	5264754.00
2 .	RMG (HC)	90444.00			90444.00	0	90444.00
3 .	SJSRY SUDA (Step up)	-40098.00			-40098.00	0	-40098.00
4 .	Special Relief Commission	-1465393.00		0	-1465393.00	299022	-1764415.00
5 .	BRGF	572380.00		0	572380.00	511986	60394.00
6 .	Incentive	1671000.00		0	1671000.00		1671000.00

7	Arrear Pension & Basic Service Grant		8296/31.3.16	12500000	0.00	0	0.00
			29625/19.12.16	12400000	0.00	0	0.00
			6077/17.3.17	1390000	0.00	0	0.00
	TOTAL	7894000.00		26290000.00	34184000.00	7779508.00	26404492.00
8	E.T.	2000.00		2000.00		2000.00	
9	Road Development	970651.00		970651.00	705477.00	265174.00	
10	SPF / SDF	1055386.00		1055386.00		1055386.00	
11	MLA LAD	6184597.00	2293/17.08.18	2000000.00	8184597.00	1154774	7029823.00
12	MPLAD	3188633.00	619(DPMU/12.3.13, 871(DPMU/24.2.14, 73(DPMU)/08.01.14	6000000	9188633.00	1958252	7230381.00
13	TFC (SWM)	1105300.00		1105300.00	0	1105300.00	
14	13th FCA	5018722.00		5018722.00	0	5018722.00	
15	14th FCA	0.00	17980/25.7.16	4788000.00	4788000.00	0	4788000.00
		0.00	30184/26.12.16	4788000.00	4788000.00	0	4788000.00
	TOTAL	6853000.00		9576000.00	16429000.00	1302330.00	15126670.00
16	Const. of Boundary wall	0.00		0	0.00	0	0.00
17	Const. of Town Hall	40000.00		0	40000.00	0	40000.00
18	Const. of Public Toilet	1601306.00		0	1601306.00	0	1601306.00
19	Const. of Indoor wall	50000.00		0	50000.00	0	50000.00
20	Const. of Quarters	25000.00		0	25000.00	0	25000.00
21	BSY	11000.00		0	11000.00	0	11000.00
22	DRM	15000.00		0	15000.00	0	15000.00
23	Repair of Drain	38215.00		0	38215.00	0	38215.00
24	IDSMT	1917443.00		0	1917443.00	1917443	0.00
25	Development of Park & Greenary	0.00		0	0.00	0	0.00
26	Sitting fee, Honarium, T.A & D.A. of elected representatives.	71000.00		0	71000.00	58800	12200.00
27	Protection & Conservation of Water Body	2500000.00		0	2500000.00	0	2500000.00
28	User & Metering of Water Supply	1000000.00		0	1000000.00	0	1000000.00
29	Ext of Street Light	200000.00		0	200000.00	0	200000.00
30	OULM	1229000.00		0	1229000.00	279997	949003.00
31	Swachha Bharat Mission	7198738.00		0	7198738.00	139000	7059738.00
32	Festival	86729.00		0	86729.00	0	86729.00
33	Maintenance of NRB	496123.00		0	496123.00	0	496123.00
34	M.V.Tax		24317/19.10.16	911000	911000.00	0	911000.00
			2763/6.2.17	911000	911000.00	0	911000.00
	TOTAL	3239985.00		1822000	5061985.00	1073455	3988530.00
35	Devolution of Fund	0.00	16234/4.7.16	3407000	3407000.00	0	3407000.00

			2596/03.02.17	3408000	3408000.00	0	3408000.00
	TOTAL	25534378.00		6815000	32349378.00	0	32349378.00
36	Const. of C.C. Road (Creating Assets)	527740.00		0	527740.00	0	527740.00
37	ADM CPF through online (A/C 6143 (SBI))	15000.00		0	15000.00	0	15000.00
38	Pension-OAP	11764937.00		11262400	23027337.00	12107300	10920037.00
39	Harish Chandra Yojana	20000.00		100000	120000.00	118500.00	1500.00
40	NFBS	530000.00		0	530000.00	180000	350000.00
41	Bhagbat Tungi	50000.00		0	50000.00	0	50000.00
42	NPR Photo	20000.00		95000	115000.00	0	115000.00
	GRAND TOTAL	107479551.00		85342400.00	192821951.00	49535685.00	143286266.00

PARA: 10 UTILISATION CERTIFICATE

Hinjilicut NAC - 2016-2017

S/no	U.C Outstanding as on (DD MM YYYY)	U.C Outstanding(In Rs:)	U.C due for submission during the period under Audit(In Rs:)	Total(In Rs:)	U.C Submitted during the period under Audit(In Rs:)	U.C needs to be submitted as on outstanding as on (DD MM YYYY)	U.C needs to be submitted as on outstanding (In Rs:)	Remarks
1	01-04-2016	88852919.00	49535685.00	138388604.00	34894622.00	31-03-2017	103493982.00	
	GRAND TOTAL	88852919.00	49535685.00	138388604.00	34894622.00		103493982.00	

Comments :

10.1) Non Submission of U.C In due time. (POM P-60,61)

As per Rule 170, 171 and 173 of OGFR Vol-1 grants received should be utilised within the same financial year in which it was received and UCs should be submitted by 30th June of the subsequent year to the funding agency as well as Principal Accountant General (A&E) Odisha. The F.D L No 029539 dated 20.10.2014 gives emphasis upon submission of UCs to proper quarter by 30th June of the succeeding year. As timely submission of UC is relative to receipt of subsequent Grants from GOI and cut is imposed on the grant amount accordingly on its non-submission/delay in submission. Hence timely non-submission and huge pendency of submission of utilisation certificate is a detrimental factor. Non-submission of U.C to a tune of **Rs 103493982.00**

as on 31.03.2017 defeats the very purpose of Govt. policy & planning and speaks about the improper management of manpower in NAC level during 2016-17 & lack of supervision of local authority.

The audit POM vide page No 13 to issued on this score, to clear up pendency of Utilisation certificates and to confirm the above facts it is stated that steps would be taken for finalization of pending utilization certificates on early date.

Therefore the Local Authority is suggested to look into the matter personally to clear up all old pending Utilization certificates and compliance reported.

10.2) Details of Utilization Certificates Issued during 2016-17 to the Proper Quarter:-

The Details of Utilisation Certificates submitted to proper quarter during the year 2016-17 is given below.

Submission of U.C During the year 2016-17 of Hinjilicut Municipality					
SI No.	Year of Grant	G.O No. and Date	Name of Grant	U.C Submitted vide Ltr No./Date	Amount of U.C
1	2013-14	14514/22.4.13	C.C. Road	1397/29.07.2016	6,02,700.00
2	2013-14	14518/22.4.13		1397/29.07.2016	4,32,543.00
3	2013-14	6988/21.3.14	13 th F.C R&B	1397/29.07.2016	1,95,399.00
4	2014-15	7344/4.3.15		1397/29.07.2016	3,47,672.00
5	2014-15	6908/28.2.15	13 th F.C. GAB	1397/29.07.2016	7,37,214.00
6	2013-14	19939/17.6.13	Devolution of fund (kalian mandap)	1397/29.07.2016	2,90,154.00
7	2014-15	133/1.1.15	R,D,	970/03.05.2016	4,95,554.00
8	2013-14	23160/20.7.13	13 th F.C. GAB	970/03.05.2016	4,65,839.00
9	2013-14	14916/25.7.14		970/03.05.2016	1,88,129.00
10	2014-15	6908/28.2.15		970/03.05.2016	5,11,871.00
11	2013-14	6988/21.3.14	13 th F.C. R&B	970/03.05.2016	9,84,475.00
12	2013-14	8305/25.2.13	Main of R&B	970/03.05.2016	4,63,654.00
13	2013-14	8305/25.2.13		970/03.05.2016	55,104.00
14	2014-15	4751/12.2.15		970/03.05.2016	2,88,998.00
15	2011-12	9754/28.3.12	M.V. Tax	970/03.05.2016	84,786.00
16	2014-15	19587/26.9.14		970/03.05.2016	3,84,214.00
17	2014-15	19587/26.9.14	M.V. Tax	542/31.3.2017	3,67,786.00
18	2014-15	3820/06.02.15	M.V. Tax	542/31.3.2017	23,725.00

19	2016-17	19466/03.08.16	14 th F.C.	542/31.3.2017	4,67,015.00
20	2014-15	5986/25.02.15	S.W.M	542/31.3.2017	2,59,990.00
21	2013-14	2483/31.01.14	S.W.M	542/31.3.2017	1,11,233.00
22	2013-14			542/31.3.2017	7,010.00
23	2013-14	2483/31.01.14	S.W.M	542/31.3.2017	8,467.00
24	2015-16	26696/9.10.15	Octori	542/31.3.2017	6,13,191.00
25	2016-17	11013/6.5.16	Octori	542/31.3.2017	30,93,000.00
26	2016-17	16216/4.7.16	Octori	542/31.3.2017	35,54,823.00
27	2015-16	20029/7.8.15	M.V. Tax	4257/27.12.2016	6,81,944.00
28	2014-15	133/01.01.15	Road Development	4257/27.12.2016	2,63,970.00
29	2014-15	133/01.01.15		4257/27.12.2016	47,143.00
30	2014-15	130/01.01.15		4257/27.12.2016	2,17,778.00
31	2014-15	127/01.01.15		4257/27.12.2016	1,76,586.00
32	2014-15	7344/4.3.15	13 th F.C. R&B	4257/27.12.2016	8,33,979.00
33	2014-15	4751/12.2.15	Main. of R&B	4257/27.12.2016	13,19,693.00
34	2014-15	2016/20.01.15	Octroi Compensation	4257/27.12.2016	16,91,148.00
35	2015-16	19055/30.7.15		4257/27.12.2016	25,94,406.00
36	2015-16	19055/30.7.15		4257/27.12.2016	21,67,594.00
37	2015-16	13332/25.5.15		4257/27.12.2016	34,78,000.00
38	2015-16	26696/9.10.15		4257/27.12.2016	8,00,141.00
39	2015-16	26696/9.10.15		4257/27.12.2016	27,07,668.00
40	2015-16	19466/3.8.16	14 F.C.	4257/27.12.2016	8,35,315.00
41	2012-13	19427/10.7.12	13 th F.C. GAB	4257/27.12.2016	10,46,400.00
42	2012-13	6347/11.2.13	13 th F.C. R&B	4257/27.12.2016	9,27,593.00
43	2012-13	6347/11.2.13	13 th F.C. R&B	4257/27.12.2016	70,718.00
			Total		348,94,622.00

10.3) The Year wise Breakup-of Utilisation Certificates:-

Basing upon the last and previous Audit report the Year wise break up of pending UCs as on 31.03.2017 is given below.

Year	Amount
Upto 2012-13	4602359.00
2013-14	29046579.00
2014-15	15428511.00
2015-16	11995686.00
2016-17	42420847.00
TOTAL	103493982.00

During exit conference the local authority stated that, All pending UCs has already been submitted during the year 2017-18 .

The submission of UC is verified and during next Audit the same would have been incorporated.

PARA: 11 MISAPPROPRIATION & DEFALCATION

11.1 - Collection amount not taken in account POM P-23-25					
By checking of the Holding & Misc. Receipt book it is noticed that a sum of Rs 10970.00 collected in different receipt no. which neither deposited NAC Bank account nor taken into account. Effective step need be taken to recover the amount & credit entry may be furnished to audit for verification. The detail are furnished below:					
Receipt No./Date/Book no	Amount	Type of collection	Perticulars	Person responsible	Remarks (Recovered vide M.R.No/Date)
01/27.04.17/80	514.80	Holding	Collected from Sima Nahak	Bhaskar Sahu, Tax Sarkar	
02/27.04.17/80	84.24	Holding	Collected from Sri Ranka Sahu	Bhaskar Sahu	
03/27.04.17/80	1216.80	Holding	Collected from Sri Laxman Maharana	Bhaskar Sahu	
04/27.04.17/80	702.00	Holding	Collected from Smt Tuni Dakua	Bhaskar Sahu	
05/27.04.17/80	128.70	Holding	Collected from Smt Susama Nayak	Bhaskar Sahu	
06/27.04.17/80	53.82	Holding	Collected from Smt Susama Nayak	Bhaskar Sahu	
07/27.04.17/80	491.40	Holding	Collected from Panchu Majhi	Bhaskar Sahu	
08/27.04.17/80	107.64	Holding	Collected from P.Sahu	Bhaskar Sahu	
09/27.04.17/80	725.40	Holding	Collected from Bhanumati Sahu	Bhaskar Sahu	
10/27.04.17/80	1357.20	Holding	Collected from Smt Nisirani Patra	Bhaskar Sahu	
11/27.04.17/80	936.00	Holding	Collected from Namita patra	Bhaskar Sahu	
12/27.04.17/80	269.10	Holding	Collected from Sri Aruna Mahanti	Bhaskar Sahu	
13/27.04.17/80	442.26	Holding	Collected from Smt Bhagabati Tripathi	Bhaskar Sahu	
14/27.04.17/80	959.40	Holding	Collected from Smt BijayaLaxmi Tripathi	Bhaskar Sahu	
15/27.04.17/80	109.20	Holding	Collected from Sumitra Devi Sahu	Bhaskar Sahu	
16/27.04.17/80	98.28	Holding	Collected from Sumitra Devi Sahu	Bhaskar Sahu	
17/27.04.17/80	262.08	Holding	Collected from Kameswari Maharana	Bhaskar Sahu	
18/27.04.17/80	1193.40	Holding	Collected from Debendra maharana	Bhaskar Sahu	
19/28.04.17/80	912.60	Holding	Collected from Smt Saudamini Bardhan	Bhaskar Sahu	
20/28.04.17/80	374.40	Holding	Collected from Smt Basanti Sasmal	Bhaskar Sahu	
Total	10938.72 or Say Rs 10939/-	Holding		Bhaskar Sahu, Tax Sarkar	Rs 10939/- -Recovered vide M.R.No-50/14 /Date.29.11.17
88/6.12.16/50	23.10(77.70-54.60)	Holding	Collected from Ashok Sethi	Sri Rabindra Nahak, Octory Moharir	
66/19.4.17/76	7.68	Holding	Collected from ---	Sri Rabindra Nahak, Octory Moharir	
Total	30.78 or Say Rs 31/-	Holding		Sri Rabindra Nahak, Octory Moharir	Rs 31/- Rec overed vide M.R.No.22/14 /Date.8.11.17
G .Total	Rs 10970.00				

In response to audit objection statement vide **POM P-23-25** the entire amount of **Rs.10970.00** recovered from the person concerned which is

reflected in the above remarks column.Hence para dropped.

11.2 - Collection amount not taken in accountPOM P-26-28

By checking of the Holding & Misc. Receipt book it is noticed that a sum of **Rs 7755.00** collected in different receipt no. which neither deposited NAC Bank account nor taken into account . Effective step need be taken to recover the amount & credit entry may be furnished to audit for verification. The detail are furnished below:

Receipt No./Date/Book no	Amount Collected	Amount taken in account	Amount less taken	Person responsible	Remarks (Recovered vide M.R.No/Dt.)
56/29.4.17/75	187.72	88.92	98.80		Holding
57/29.4.17/75	199.30	77.20	122.10		Holding
59/29.4.17/75	678.60	339.30	339.30		Holding
61/29.4.17/75	1767.48	883.74	883.74		Holding
94/24.5.17/75	5460.00	1716.00	3744.00		Holding
95/19.4.17/68	77.22	-	77.22		Holding
96/22.4.17/68	219.96	-	219.96		Holding
97/22.4.17/68	124.02	-	124.02		Holding
98/22.4.17/68	124.02	-	124.02		Holding
		Total	5733.26 or say Rs 5733/-	Sri B. Ch. Behera,O.M.	Rs 5733/-Recovered in salary bill 12/17(Acqu.P-140) which is reflected vide Vr. No 611/dt.1.1.18
50/21.10.16/46	22.20	15.00	6.60		Holding
12/24.01.17/61	198.00	-	198.00		Holding
		Total	204.60 or say Rs 205/-	Sri R.K Das,T.S.	Rs 205/- Recovered vide M.R.No.89/14 /Date.22.12.17
5/17.2.17/187	485.00	465.00	20.00		Misc.
6/17.2.17/187	485.00	465.00	20.00		Misc.
		Total	Rs 40.00	Sri K.Ch Sabat TS	Rs 40.00 Recovered vide M.R.No.32/14 /Dt.17.11.17
100/2.6.16/169	2000.00	1000.00	1000.00		Misc.
01/2.9.17/178	583.00	456.00	127.00		Misc.
		Total	Rs 1127 .00	Sri A.R Sahu,OM	Rs 1127 .00 Recovered vide M.R.No.90/14 /Date.22.12.17
72/24.05.16/170	700.00	350.00	350.00	Sri B.N. Mahapatra(A)	Misc.
26/27.9.16/179	900.00	600.00	300.00	-do-	Misc.
		Total	Rs 650.00	Sri B.N. Mahapatra(A)	Recovered vide M.R.No.35/14 /Dt.17.11.17
		G.Total	Rs 7755.00		

In response to audit objection statement the entire amount of **Rs 7755.00** recovered from the person concerned which is reflected in the above remarks column.Hence para dropped.

11.3 - Collection amount not taken in accountPOM P-29-32

By checking of the Holding & Misc. Receipt book it is noticed that a sum of **Rs 9645.00** collected in different receipt no. which neither deposited NAC Bank account nor taken into account. Effective step need be taken to recover the amount & credit entry may be furnished to audit for verification. The detail are furnished below:

Receipt No./Date/Book no	Amount Collected	Amount taken in account	Amount less taken	DCR Page / Cashier cash book Page	Person responsible	Remarks	(Recovered vide M.R.No/Date)
58 & 59/17.11.16/171	1350.00	1000.00	350.00	75/50	Sri Chhabi Narayan Panda, Cashier	Misc.Amount collected by K C. Sabat	Rs 350.00 Recovered vide M.R.No85/14/Date.22.12.17
28 to 32/29.12.16/56	326.00	236.00	90.00	46/65	Sri Chhabi Narayan Panda	Misc.Amount collected by Sri Bhaskar Sahu	Rs 90.00 Recovered vide M.R.No86/14/Dt.22.12.17
02/19.7.16/174	1000.00	--	1000.00	131/30	Sri Chhabi Narayan Panda	Office Collection	Rs 1000.00 Recovered vide M.R.No87/14/Date.22.12.17
95 to 100/13.02.17/180	120.00	--	120.00	203/	Sri Chhabi Narayan Panda	Office Collection	
01/14.02.17/189	20.00	--	20.00	203/	Sri Chhabi Narayan Panda	Office Collection	
100/17.04.17/189	20.0	--	20.00	217/	Sri Chhabi Narayan Panda	Office Collection	
09 & 10/19.04.17/05	70.00	--				Office Collection	
11/19.04.17/05	500.00	--				Office Collection	
12&13/19.04.17/05	40.00	--				Office Collection	
14 & 15/19.04.17/05	2000.00					Office Collection	
16/19.04.17/05	30400.00					Office Collection	
18/19.04.17/05	500.00					Office Collection	
19/19.04.17/05	4600.00					Office Collection	
20 & 21/19.04.17/05	100.00					Office Collection	
22/19.04.17/05	4600.00					Office Collection	
23 to 30/19.04.17/05	160.00					Office Collection	
Total	42970.00	42700.00	270.00	219/98	Sri Chhabi Narayan Panda	Office Collection	
11 & 12/28.4.17/06 & 15 to 19/28.04.17/06	140.00	--	140.00	232 & 233/	Sri Chhabi Narayan Panda	Office Collection	
24 to 26/11.05.17/06	60.00	--	60.00	233/	Sri Chhabi Narayan Panda	Office Collection	
17/17.05.17/06	1000.00	--	1000.00	234/	Sri Chhabi Narayan Panda	Office Collection	
45 to 49/16.06.17/06	100.00	--	100.00	238/	Sri Chhabi Narayan Panda	Office Collection	
79/14.07.17/06	10.00	--	10.00	241/	Sri Chhabi Narayan Panda	Office Collection	
21/18.08.17/11	20.00	--	20.00	247/	Sri Chhabi Narayan Panda	Office Collection	
36 & 37/7.9.11/11	30.00	--	20.00	249/	Sri Chhabi Narayan Panda	Office Collection	
DCR p-9/9.2.17 & 12.2.17	8420.00	8320.00	100.00	9/	Sri Chhabi Narayan Panda	Market collection amount collected by Sri B.N Mahapatra(A)	
DCR p-31/29.5.17	8550.00	8500.00	50.00	31/9	Sri Chhabi Narayan Panda	Market collection amount collected by Sri B.N Mahapatra(A)	
Total			1930.00				Rs 1930.00 Recovered vide M.R.No88/14/Dt.22.12.17
301 to 360/4	900.00	-	900.00	26/	Sri B.C. Behera		Rs 900.00 Recovered vide M.R.No8/17/Dt.5.1.18
3001 to 3100/dt.---/31	1500.00	--					
4801/4900/dt--/49	1500.00	--					
3801 to 3900/--/39	1500.00	--					
Total	4500.00		4500.00	26/	Sri B.C. Behera		Rs 4500/- Recovered in salary bill 12/17(Acqu.P-140) which is reflected vide Vr. No 611/dt.1.1.18

31 to75/28.6.16/175	16835.00	16290.00	545.00	27 to29/41			
40 to 100/31.3.17/192	22040.00	22940.00	-900.00	83/93			
28 to88/5.9.17/10	45130.00	44390.00	740.00	14/31			
01 to33/12.9.17/13	24910.00	24210.00	700.00	16/41			
64/8.11.16/182	900.00	1050.00	-150.00	49/49			
65 to100/2.6.17	26740.00	26800.00	-60.00	4/			
Total			875.00		Sri B.N Mahapatra(A)		Rs 875.00 Recovered vide M.R.No 62/14/Dt.14.12.17
G.T.			9645.00				

In response to audit objection statement the entire amount of **Rs 9645.00** recovered from the person concerned which is reflected in the above remarks coloum.Hence para dropped.

11.4 - Non credit of collection amount of Parking/market feesPOM P-33-35

By checking of the stock register of **Parking/market fees** receipt books during the year under audit it is noticed that the following receipt books have been issued to Sri Bibekananda Mohapatra(B) T.C. but the credit position of receipt amounts of **Rs.76300.00** as against the receipt books issued not ascertained in audit. Effective step need be taken to recover the amount or credit entry may be furnished to audit for verification.

SL. No.	Book No.	Receipt Nos	Date of issue	S/R Page No.	Value of receipt in Rs.	No of receipts	Total Amount in Rs.	Remarks
1	57	17016-17100	26.9.16	134	20.00	85	1700.00	
2	231	69001-69300	8.9.17	146	20.00	300	6000.00	
3	237	70801-71100	8.9.17	146	20.00	300	6000.00	
4	246	73501-73800	8.9.17	148	20.00	300	6000.00	
5	01	1-300	17.10.17	148	20.00	300	6000.00	
6	61	18001-18300	23.2.17	90	10.00	300	3000.00	
7	109	32401-32700	9.8.17	94	10.00	300	3000.00	
8	118	35101-35400	24.8.17	94	10.00	300	3000.00	
9	122	36301-36600	22.9.17	94	10.00	300	3000.00	
10	126	37501-37800	10.10.17	94	10.00	300	3000.00	
11	130	38701-39000	27.10.17	96	10.00	300	3000.00	
12	334	66601-66800	8.8.16	58	5.00	200	1000.00	
13	358	71401-71600	5.11.16	172	5.00	200	1000.00	
14	359	71601-71800	5.11.16	172	5.00	200	1000.00	
15	399	79601-79800	6.3.17	174	5.00	200	1000.00	
16	25	4801-5000	26.4.17	176	5.00	200	1000.00	
17	30	5801-6000	8.5.17	176	5.00	200	1000.00	
18	31	6001-6200	12.5.17	176	5.00	200	1000.00	
19	33	6401-6600	18.5.17	178	5.00	200	1000.00	
20	34	6601-6800	22.5.17	178	5.00	200	1000.00	
21	35	6801-7000	25.5.17	178	5.00	200	1000.00	
22	37	7201-7400	29.5.17	178	5.00	200	1000.00	
23	38	7401-7600	02.06.17	178	5.00	200	1000.00	
24	40	7801-8000	06.06.17	178	5.00	200	1000.00	
25	41	8001-8200	12.06.17	178	5.00	200	1000.00	
26	43	8401-8600	19.06.17	178	5.00	200	1000.00	
27	45	8801-9000	20.06.17	178	5.00	200	1000.00	
28	47	9201-9400	06.07.17	178	5.00	200	1000.00	
29	48	9401-9600	06.07.17	178	5.00	200	1000.00	
30	50	9801-10000	06.07.17	178	5.00	200	1000.00	
31	51	10001-10200	13.07.17	178	5.00	200	1000.00	
32	52	10201-10400	20.07.17	178	5.00	200	1000.00	
33	54	10601-10800	27.07.17	178	5.00	200	1000.00	
34	56	11001-11200	01.08.17	178	5.00	200	1000.00	
35	59	11601-11800	09.08.17	178	5.00	200	1000.00	
36	61	12001-12200	16.08.17	180	5.00	200	1000.00	
37	64	12601-12800	23.08.17	180	5.00	200	1000.00	
38	67	13201-13400	28.08.17	180	5.00	200	1000.00	
39	69	13601-13800	28.08.17	180	5.00	200	1000.00	

40	71	14001-14200	08.09.17	180	5.00	200	1000.00		
41	73	14401-14600	08.09.17	180	5.00	200	1000.00		
42	77	15201-15400	22.09.17	180	5.00	200	1000.00		
43	78	15401-15600	28.09.17	180	5.00	200	1000.00		
44	80	15801-16000	07.10.17	180	5.00	200	1000.00		
45	82	16201-16400	14.10.17	180	5.00	200	1000.00		
46	85	16801-17000	23.10.17	180	5.00	200	1000.00		
47	86	17001-17200	29.10.17	180	5.00	200	1000.00		
							Total	79700.00	

In response to audit objection statement the entire amount of **Rs 79700.00** recovered from the person concerned which is reflected below.Hence para dropped.

Abstract of Recovery amount

M/R No./Dt.	Amount	DCR Page	Remarks
/13.11.17	10000.00	22	Recovery Suggested= Rs79700/-
/27.11.17	2000.00	22	
/30.11.17	10000.00	23	Less: Excess amount deposited
/4.12.17	3140.00	23	which is reflected DCR P-25=
84/14/Dt.20.12.17	51160.00	25	Rs3400/-
Total	76300.00		Balance Rs76300/- recovered from Sri Bibekananda Mohapatra(B) T.C. which is verified.

11.5 - OAP balance money less deposited POM P-42

By checking of the OAP account for the year 2016-17 it is noticed that a sum of Rs 2500.00 OAP balance money less deposited Municipal fund which needs immediate recovery. The details are furnished below:

Period	OAP money taken by concerned TCs	Amount disbursed	Balance amount to be deposited	Amount deposited	Amount less deposited	Responsible	Remarks
9/16	135000.00	99600.00	36000.00	35700.00	300.00	Sri Bhaskar Sahu	Rs 300.00 recovered vide M.R.No64/14/Dt. 14.12.17
10/16	91600.00	81000.00	10600.00	9400.00	1200.00	Sri B.N. Mahapatra (A)	Rs 1200.00 recovered vide M.R.No63/14/Dt. 14.12.17
12/16	123700.00	78900.00	44800.00	44300.00	500.00		
1/17	123700.00	101600.00	22100.00	21600.00	500.00		
				Total	1000.00	Sri R.K. Das	Rs 1000.00 recovered vide M.R.No.91/14/Dt. 22.12.17
				G.Total	2500.00		

In response to audit objection statement the entire amount of **Rs 2500.00** recovered from the person concerned which is reflected in the above remarks coloum.Hence para dropped.

PARA: 12 LOSS OF STOCK & STORE

PARA: 13 AUDIT OF RECEIPTS

13.1 -

13.1.1 - Taxes on holding, lighting, water & drainage- POM-p-17

In this NAC as per provisions under section 146(i) of the Orissa Municipal Act, 1950, revision of valuation of Holding was taken up during the year 1995 and the final valuation list was published on 29.01.1999 vide Order No. 341, Dated 29.01.1999 of the Valuation Officer. But the Council in its Resolution No. 5, dated 28.07.2001 resolved / accepted the new Valuation List with effect from 01.04.2002 and the Taxes towards Holding @3%, Lighting @5%, Water @2% and Drainage @1%, of the annual rental value of the holding. Thus in total 11% of the annual rental value of the holding was being collected towards taxes. The rates of taxes were being collected at these rates upto 2015-16.

Almost 15 years have been passed since the Valuation List was prepared. But collection of statutory taxes, the prime source of ULB revenue is being made on the basis of Valuation List prepared 15 years back. This is quite irregular. However after 15 years the ULB vide council resolution No. (3)(10) Dated.20.02.2016 & resolution No. (3)(6) Dated.10.05.2016 resolved to hike the taxes @15% of the annual rental value of the holding. Hence the taxes towards Holding @10%, Lighting @5%, Water @6% and Drainage @5%, of the annual rental value of the holding. Thus in total 26% of the annual rental value of the holding is being collected towards taxes with effect from 01.04.2016 vide order No.340/2016 Dt.24.02.2016. The latest approved assessment list on demand register of holding tax was produced to audit, which is verified.

13.1.2 - Ineffective and inefficient recovery of tax

As per Rule-175 of Odisha Municipal Rules, 1953, the ULB shall be divided into circles for the purpose of collection of taxes. Each circle shall be numbered and a Tax Collector shall be appointed in charge of one or more circles. The O.M. Act, 1950 stipulated u/s 158, that notification shall be made and posted in the office of the ULB declaring day(s) and time for receipt of taxes, u/s 159(2) any tax on the annual value of holdings shall be payable in quarterly instalments and every such instalment shall be deemed to be due on the first day of the quarter in respect of which payable. u/s 159-A(1)&(2) a resolution may be passed in the ULB Council to grant a rebate in respect of tax paid within stipulated period i.e. the rebate may be allowed not exceeding 10 per cent (paid within 30 days) and 5 per cent (paid beyond 30 days and within 60 days) and the ULB may in like manner, provide for grant rebate at such percentage not exceeding 20% for the tax due for any year paid

before 30th April and not exceeding 10 per cent where it is paid on or before 31st May of that year. Further, u/s 160 of the Act, a receipt signed by the tax collector or any other officer authorized by the E.O. was to be given against each payment of tax. Also as per Rule-201(2) and Rule-202 of O.M. Rules, 1953, the ULB may establish a system of reward and punishment to tax collector to ensure best results in collection of tax. On checking of Resolution Book of the ULB, Establishment File and receipts book of Holding Tax and from the information furnished to audit by the local authority, it was revealed that Hinjilicut NAC consists of 21 wards and no specific tax circle exists for collection of taxes. The taxes are collected ward wise by engaging Tax Collectors. The taxes are received throughout the year and no notification has been made declaring day(s) and time for receipt of taxes. No computer data base has been made relating to assessment of holding tax, number of

holdings, demand of tax, collection of tax and arrear taxes outstanding for collection.

The details of demand, collection and percentage of collection are furnished below as furnished by the local authority and as worked out by audit as per the records made available.

13.1.3- DCB Position of Taxes – POM-p-17

The DCB position of taxes for the year 2016-17 is given below

Demand, Collection, Balance of Taxes For the year 2016-17 of NAC, Hinjilicut													
Name of Unit	Demand			Collection						Balance			% of Collection
	Arrear	Current	Total	Arrear	Current	Total	Rebate	Rebate + Current	Arrear+ Rebate + Current	Arrear	Current	Total	
Holding	566050.26	760773.35	1326823.61	125365.68	432131.30	557496.98	25939.27	458070.57	583436.25	440684.58	302702.78	743387.36	43.97%
Lighting	931970.15	386000.17	1317970.32	212539.64	216863.20	429402.84	12293.01	229156.21	441695.85	719430.51	156843.97	876274.48	33.51%
Water	382647.56	463199.31	845846.87	86480.00	260214.54	346694.54	15671.78	275886.32	362366.32	296167.56	187312.99	483480.55	42.84%

Drainage	189919.81	386000.17	575919.98	43230.94	217049.20	260280.14	12244.85	229294.05	272524.99	146688.87	156706.13	303395.00	47.32%
Total	2070587.78	1995973.00	4066560.78	467616.26	1126258.23	1593874.49	66148.91	1192407.14	1660023.40	1602971.52	803565.86	2406537.38	40.82 %

It would be seen from the above table that the percentage of collection of taxes is only 40.82% which is very far from the satisfactory. The reasons of low percentage of collection was asked for through POM. The local authority is suggested to draw up a special drive for collection of current as well as arrear taxes so as to augment the funds of the NAC It is to mention here that NAC has not yet established any system of rewards and punishments to tax collector to ensure best results in collection of tax. As, no remedial measures for effective realisation of revenue has been taken, huge arrears are rolling for years together with owners of the houses which indicates the inefficiency and ineffectiveness of collection of Holding Taxes. In reply to POM the local authority stated that steps will be taken to expedite the collection in future. The local authority is suggested to chalk out a special drive to collect the outstanding amounts to augment the NAC funds.

13.1.4- Inadequate system of collection holding tax from defaulters

As per Section 161(1) of the Orissa Municipal Act, 1950 if the sum due on account of any tax is not paid within sixty one days from the date on which it became due, the Executive Officer shall cause to be served a notice in the prescribed form on the person liable to pay the same. If still the dues are not collected, the ULB is armed with Section 162 of the Act to levy by distress and sale of any movable property belonging to the defaulter wherever found, or of any movable property belonging to any other person which may be found within the holding in respect of which

such defaulter is liable to such tax. In spite of all these provisions under Section 161(1), 162,163,164,165 and 166, if the ULB fails to realize the arrear tax by distress and sale, according to Section 169 the ULB may at any time apply to the District Collector for the recovery of the whole or any part of any arrear as an arrear of Land Revenue. Again as per Section 170 of the Act, the ULB instead of proceeding by distress and sale or in case of failure to realize the whole or any part of any tax, the ULB may sue the person liable to pay the same in any court of competent jurisdiction. Further it was found that though the system of penalty was there, yet there was no dictation of breach of tax rule as per Rule 553 of the OM rules 1953. It is seen that, the NAC has failed to take appropriate action under various sections of the Orissa Municipal Act, 1950. As a result, arrears to the tune of Rs.2070587.78 as detailed below (as per data supplied by the Local Authority with vide POM) are remaining uncollected for years together. The year wise breakup of outstanding taxes in detail are furnished below.

PERIOD WISE DEMAND, COLLECTION, BALANCE OF TAXES FOR THE YEAR 2016-17 OF NAC, HINJILICUT

Year	Demand					Collection with Rebate					Balance				
	H.T	L.T	W.T	D.T	Total	H.T	L.T	W.T	D.T	Total	H.T	L.T	W.T	D.T	Total
1966-74	650.46	129.02	65.94	0.00	845.42	123.04	36.96	18.68	0.00	178.68	527.42	92.06	47.26	0.00	666.74
1974-84	2984.30	2897.26	1926.80	953.38	8761.74	126.26	126.26	81.20	40.88	374.60	2858.04	2771.00	1845.60	912.50	8387.14
1984-90	8079.30	8110.98	5407.32	2703.66	24301.26	590.16	590.16	393.44	196.72	1770.48	7489.14	7520.82	5013.88	2506.94	22530.78
1990-02	71089.94	71334.77	47540.26	23770.16	213735.13	4770.66	4770.66	3180.44	1590.22	14311.98	66319.28	66564.11	44359.82	22179.94	199423.15
2002-16	483246.26	849498.12	327707.24	162492.61	1822944.23	119755.56	207015.60	82806.24	41403.12	450980.52	363490.70	642482.52	244901.00	121089.49	1371963.71
Arrear	566050.26	931970.15	382647.56	189919.81	2070587.78	125365.68	212539.64	86480.00	43230.94	467616.26	440684.58	719430.51	296167.56	146688.87	1602971.52
Current	760773.35	386000.17	463199.31	386000.17	1995973.00	458070.57	229156.21	275886.32	229294.05	1192407.14	302702.78	156843.97	187312.99	156706.13	803565.86
Grand Total	1326823.61	1317970.32	845846.87	575919.98	4066560.78	583436.25	441695.85	362366.32	272524.99	1660023.40	743387.36	876274.48	483480.55	303395.00	2406537.38

13.1.5 - Details of year wise break up of outstanding taxes & time barred dues of taxes. – POM-p-17

As per Section 159-A of the Odisha Municipal Act, 1950, the Municipality may by resolution, provide for **grant of rebate** in respect of the tax, which

has been done so in this NAC..

As per Section 161 of the Odisha Municipal Act, 1950 if the sum due on account of any tax is not paid within 61 days, the Executive Officer shall cause to be served the **demand notices** on the defaulter. (N.B.-Tax due on the first day of the quarter in respect of which it is payable)

As per Section 162 of the Odisha Municipal Act, 1950, if any person after service upon him of the demand notice within fifteen days of the service of the same or from the date of any order made in an appeal under Section 153, failed to pay his outstanding arrear taxes along with costs levied as per Rule 205 distress and **sale of movable property belonging the defaulter** may be made within 6 months of the service of the notice.

As per Section 170 of the Odisha Municipal Act, 1950, instead of proceeding by distress and sale or in case of failure to realise thereby the whole or any part of any tax, the municipality may **sue the person liable to pay** the same in any court of competent jurisdiction.

As per Rule 176 of the Odisha Municipal Rules, 1953, **Demand and Collection Register and Tax Collector's Daily Collections Register** should be maintained. Except for the first & last point all other codal provisions have not been adhered to.

As the tax dues become time-barred after a lapse of nearly 3 years and 9 months from the date it became due, thus the outstanding dues relating to the years from 5th year and onwards starting from the current year is considered as time-barred and needs to be recovered. Abstract details of year-wise break-up of outstanding tax as furnished by the local authority is furnished below.

Year	Total
1966-67	86.82
1967-68	98.04
1968-69	98.04
1969-70	98.04
1970-71	113.20
1971-72	115.8
1972-73	115.8
1973-74	119.68
1974-75	119.68
1975-76	126.48
1976-77	833.36
1977-78	836.94
1978-79	844.5
1979-80	1038.72
1980-81	1057.02
1981-82	1251.6
1982-83	1326.72
1983-84	1326.72
1984-85	3259.65
1985-86	3308.97
1986-87	3823.77
1987-88	4379.97
1988-89	4731.15
1989-90	4797.75
1990-91	9653.67
1991-92	9757.74
1992-93	10430.58
1993-94	10505.46
1994-95	10732.44
1995-96	12126.09

1996-97	14080.29
1997-98	25764.57
1998-99	26621.55
1999-00	27109.03
2000-01	28149.43
2001-02	28804.28
2002-03	52416.1
2003-04	57818.31
2004-05	59970.46
2005-06	61891.06
2006-07	64322.06
2007-08	67159.51
2008-09	85462.08
2009-10	91907.53
2010-11	104180.56
2011-12	126607.91
2012-13	174059.03
2013-14	228642.68
2014-15	249609.04
2015-16	398897.9
Arrear	1602971.52
2016-17	803565.86
G Total	2406537.38

In this case, the arrear dues relating to 2012-13 (Rs.174059.03) is time barred according to Section 346 and other related sections of OM Act,1950 is suggested for recovery. For such lapses the Executive Officer along with other collection staff (nodal officer) are responsible for not taking timely action in realising the taxes before such taxes and fees become barred by limitation thus contributing to cause of loss to the NAC due to non-collection of the taxes .

Persons Responsible

- 1) Sri Rabindra Nath Malla, Ex-EO(11.12.11 to 15.05.12)
- 2) Smt Puja Mishra ,OAS (JB) (16.05.12 to 19.12.12)
- 3) Sri Manas Ranjan Panda, JE(20.12.12 to 25.12.12)
- 4) Sri M. Nageswar Subudhi, Ex E.O.(26.12.12012 to 31.03.2013)
- 5) Sri Bibeka Nanda Mohapatra-(B), TD

13.1.6 - Non-adoption of measures for collection and remission of arrears. – POM-p-61

The Odisha Municipal Rules,1953 vide Rule-200 authorizes for preparation of a progress statement in Form-N, of each month which shall represent the position of the collection accounts as a whole and be submitted to the council. They shall be carefully scrutinized with a view to the adoption of measures for the collection or remission of arrears. But it was seen that the progress statement in Form-N was neither prepared nor discussed in council, if discussed or put up, the minutes of the deliberations of the Standing Committee on Taxation, Finance & Accounts be presented to audit. Therefore to ascertain the No of standing committee held during the year 2016-17 for discussion on collection or remission of arrears of holding tax in the council meetings be presented in the proforma given below.

1. Year
2. No. of standing committee meetings held

3. No. of members who attended the standing committee meeting

4. No. of times with date discussion made on collection or remission of arrears

It was asked for through POM in response to which the local authority stated that no standing committee has been formed to review the collection of holding tax during the year 2016-17 the local authority is suggested to take appropriate steps to form standing committee hence forth to review the collection of holding tax .

13.1.7 – Assessment / non assessment of holding Tax on railway land, agricultural land - - POM-p-61

As per provisions contained in Section 131(1) (a) of the OM Act, 1950, the municipalities shall impose tax on holdings situated within the municipality on their annual value. Further, as per provisions contained under Section 131(2)(b) of the OM Act, 1950, municipality shall levy holding tax on annual value of railway lands situated within the municipalities which are not used exclusively for agricultural purposes and are not occupied by or adjacent and appurtenant to any buildings. As per Rule 518(1) of OM Rules, 1953 the annual value was to be determined by a committee consisting of the Executive Officer, the Collector of the district and one representative of the Railway authority. As per Rule 518(10) of

OM Rules, 1953, if the committee does not complete the valuation of any railway lands before the commencement of the half-year, with effect from which they are to be assessed or their assessment is to be revised, the Executive Officer may assess them according to the prevailing market value in case the lands are to be assessed for the first time and in accordance with the existing valuation in the case of other lands, and shall be entitled to collect the tax on the basis of such assessment pending the valuation of the said lands by the committee. Rule-519: determination of Annual value of land, Rule-520: determination of capital value of land. As per Section 131 (3) (a) of the OM Act, 1950, the holding tax was to be levied on the lands situated within the municipal area and used exclusively for agricultural purposes. The local authority was asked for through POM to please provide the details and the present status to which the local authority stated that no railway land comes under the preview of this NAC and agriculture land have not been assessed for holding tax.

13.1.8 -Improper maintenance of money receipt book for collection of holding tax:- POM--p-62

According to Rule 188 of the Orissa Municipal Act,1953, when tax is paid the Tax Collector shall grant a receipt in Form-I. He shall fill up the form in triplicate by carbon process. Part payments of quarterly taxes shall not be accepted. The original copy of the receipt shall be

printed in bold letters "Temporary Receipt" with a note."This should not be considered as final receipt until the final receipt is issued under the signature of the Executive Officer". The duplicate copy may be boldly marked "Final Receipt". The Tax Collector shall issue the temporary receipt (original copy) as soon as he realizes the tax. He shall then submit the tax receipts in duplicate to the EO with the collections. The EO shall conduct checks and sign the duplicate and countersign the triplicate which will form the office copy. The duplicate shall then be issued as the final receipt. But, in disobedience to the rule provisions it was seen that the receipt book though maintained in triplicate, and there is mention of the

temporary receipt and final receipt on the body of the original and duplicate copies respectively. Neither the second copy has been signed nor did the third copy countersign by the EO or any designated officer of the NAC. It means that the officer has not conducted necessary checks.

Moreover, all the second copies of the receipts of the MR books are still with the office even though there is mention of the note, as pointed out above, on the first copy, which is a must for the public awareness, the same "This should not be considered as final receipt until the final receipt is issued under the signature of the Executive Officer" is also mentioned in the second and also on the triplicate receipt which violates the codal provision. The reasons for non adherence to the codal provision may be intimated to audit. No reply was furnished by the local authority.

However the local authority is suggested to direct the employees to strictly adhere to the provisions as laid down by the Govt. In response to POM the local authority stated that it is noted for future guidance and the defects will be rectified during further printing of receipt books.

13.2 - In formation on construction of new buildings - - POM-p-10

The number of new buildings constructed in NAC area During 2016-17 which are to come under ambit of holding tax was asked for by audit in the following proforma .

Sl no.	No of new holdings assessed (can be ascertained from the Assessment Register)	No of new holdings completed during the year	No. of new electricity connections provided to the newly constructed buildings (To be collected from local electricity office by the local authority)	Remarks
	8	13	21	

In response to POM the local authority stated that assessment registers will be maintained henceforth and holding tax has been collected from the above eight new buildings assessed. However the local authority is suggested to direct his staff for assessments of new buildings etc as well as follow-up the action of collecting information from SOUTHCO so that more holdings can be assessed so that they can be brought under the preview of taxes to augment the funds of the NAC.

During the exit conference the local authority assured to collect all outstanding dues and follow the instructions as suggested by audit, the local authority is advised to ensure it.

13.3 - Lease position of tanks/ponds

13.3.1 -The DCB of lease of tanks under Hinjilicut NAC is as below

D.C.B TANK LEASE													
SI No.	Name of the Tank	2016-17				2017-18							Remarks
		Demand	Collection		Balance	Arrear Demand	Current Demand	TOTAL	Arrear Collection	Current Collection	Total	Balance	
			Amount	Particulars									
1	Hinjili Deula Tank	34122	27167	136/93, dt: 16.4.14(EMD-10167/-) 174/16, dt: 98.8.16(10000) 180/9 dt: 21.10.16(7000)	6955	6955	0	6955	0		0	6955	
2	Hinjili Hetra Tank	-----	-----		-----		0	0			0	0	
3	Hinjili Nua Tank	13566	13567	168/55, dt: 25.5.16(9541/-) 136/94, dt: 16.04.14(EMD-4026/-)	-1	0	15135	15135	0	15200	15200	-65	Excess Collection
4	Katu Bebarata & Hansagadia Tank	75934	75934	16/24, dt:12.4.16,(53134/-) 141/3 dt:16.4.14 (EMD-22800/-)	0	0	101167	101167	0	101200	101200	-33	Excess Collection
5	Ankorada Jogi Tank	-----	-----		-----		0	0			0	0	
6	Nuagada Deula Tank	53332	53334	168/38, dt:26.4.16 (42774/-) 136/99, dt:16.4.14 (EMD-10560/-)	-2	-2	0	-2	0		0	-2	Excess Collection
7	Nuagada Sara,	53500	53556	168/66, dt:	-6	-6	0	-6	0		0	-6	Excess Collection

	Joka, Liakhai Tank			1.6.16(39 000/-) 168/70, dt:16.6.16 (10200/-) 141/1, dt: 16.4.14(E MD-4356/ -)									
8	Hinjili Bhaluka Tank	2700	2700	MR No-168/2 2/7.4.16	0		12500	12500		12000	12000	500	
	Current Demand Total	233154	185524		6946	6947	128802	135749	0	128400	128400	7349	

13.3.2 - The details of tanks for lease under Hinjilicut NAC and their position for the year 2016-17 excluding arrear is as below

13.3.3 - Non collection of Lease amount-

While going through the last audit reports, it was noticed that Rs.57835.00 was due to be received towards balance lease amounts of 07 number of tanks by the NAC as per the details below.

SI No.	Name of the Tank	Name of the Defaulter	Year	Amount
1	Hetra Tank, Hinjili	Sri. Trinatha Gouda	90-91	6700.00
2	Jogi Tank, Ankorada	Sri.Panchanan Behera	94-95	4000.00
3	Deula Tank, Hinjili	Sri. Padmanabha Panda	95-96	25000.00
4	Bebarta & Hansa Gadia	Sri. Udayanath Behera	96-97	6900.00
5	Hetra Tank	Sri. Kamaraja Das	97-98	7780.00
6	Hinjili Deula Tank	Sri Rabindra Das	2016-17	6955
7	Hinjili Bhaluka Tank	Sri Chitrasen Sahoo	2016-17	500
			Total	57835.00

The local authority is suggested to chalk out a special drive to collect the outstanding lease amounts and take steps for lease of the non leased out tanks to augment the NAC funds.

In reply to POM the local authority stated that the lease holder has requested for cancellation of lease due to which the NAC has forfeited his EMD and in the case of Ankoroda Jogi Tank no one participated in the auction process nor anyone was willing to take the same through negotiation. The local authority is suggested to chalk out further proposals for leasing out the tanks to augment the NAC funds.

13.4 - Non collection of lease amount of Kalyan Mandap

While going through the lease files it was noticed that the Biju Pattnaik Kalyan Mandap was leased out on tender basis previously .But unwillingness of the bidders (Brief discussed previous A.R.) the present status of which was sought for by audit through POM in reply to which the local authority stated that steps had be taken to guide/direct his staff to encourage people for taking the same on rent for various functions etc to to augment the NAC funds.

13.5 - Information on Mobile towers installed in NAC Area

IThe position of different mobile towers installed in the NAC Area and the revenue arrived from is detailed below

Information on Colleciton of Licensce fee of Mobile Towe for 15-16 of NAC, Hinjliut

Information on Collection of Licence fee of Mobile Tower for 15-16 to 17-18 of NAC, Hinjilicut									
SI	W.No	Nam	Locat	Nam	Amount due for Collection	Amount collected	Balance	Collected	Rem

No.	S.No.	Name of the Telecom Company	Name of the Mobile Tower	Name of the plot Owner	Financials (Rs.)					Financials (Rs.)					Vide		Remarks					
					Installation	Arrear	Current for 3 years 15-16 to 17-18	Penalty	Total	Installation	Arrear	Current	Penalty	Total	M.R No.	Date						
1	5	Bharti Infra	Banali Nagar	Ananda Sahu	-	-	-	-	-	-	-	-	0	-	-	-	-					
2	7	Vodafone	Sompur	Dhaneswar Behera	-	-	1000	-	1000	-	-	-	0	-	-	1000	-	1000				
3	7	Vodafone	Mohan Colony	Subash Ch Prusty	-	-	1000	-	1000	-	-	-	0	-	-	1000	-	1000				
4	7	ATC	Mohan Colony	Ajaya Kumar Panigrahy	-	-	5000	-	5000	-	-	-	0	-	-	5000	-	5000	-	-	Notice issued vide L.No. 1293/11.07.16	
5	11	BSNL	Thana Tota Sahi	Umesh Ch Sahu	-	7000	5000	8400	20400	-	-	-	0	-	7000	5000	8400	20400	-	-	Notice issued vide L.No. 1295/11.07.16	
6	11	ATC	Thana Tota Sahi	Prabhakar Mahapatra	-	-	5000	-	5000	-	-	-	0	-	-	5000	-	5000	-	-	Notice issued vide L.No. 1293/11.7.16	
7	15	Tata	Keuta Sahi	Prabhakar Mahapatra	-	5000	5000	5000	15000	-	5000	5000	5000	15000	-	-	-	-	0	171/81,82	5.1.17	
8	15	Reliance	Radha Shyama Marg	Umesh Ch Sahu	-	-	-	-	-	-	-	-	0	-	-	-	-	-				
9	16	Bharti Infra	Main Road	Tarini Ch Mahapatra	-	400	-	-	400	-	-	-	0	-	400	-	-	400				
10	16	Reliance	Srikhetra Marg	Udayanath Sahu	-	-	-	-	-	-	-	-	0	-	-	-	-	-				
11	16	ATC	Gayatri Nagar	Kasinth Sahu	-	-	-	-	-	-	-	-	0	-	-	-	-	-				

12	16	ATC	Baikuntha Nagar	Bhaskar Patra	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-
Total						12400	22000	13400	47800	0	5000	5000	5000	15000	0	7400	17000	8400	32800

From the above it is seen that an amount of Rs.32800.00 is lying for collection from different holders. In reply to POM the local authority stated that notice has been issued to deposit the outstanding dues as mentioned above and further steps are being taken for the same. The local authority is suggested to chalk out a special drive to collect the outstanding amounts and ensure that the collections are made on regular basis to augment the NAC funds.

13.6 - Information on demand, collection and balance of market stalls

The position of demand, collection and balance of market stalls as provided by the local authority is detailed below along with the information of slum quarters

Abstract for the year 2016-17 is as below

Demand, Collection and Balance position of Market Stalls for the year 2016-17 of NAC, Hinjilicut.

Demand, Collection, Balance of Market Stalls for the year 2016-17											
Stall No.	Name of the License	Monthly License	Demand			Collection			Balance		
			Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
SN 001	Sri Arun Kumar Sahu	605.00		7260.00	7260.00		7260.00	7260.00	0.00	0.00	0.00
SN 002	Sri Bijaya Kuma Sabat.	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 003	Sri Himanchal Patra	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 004	Smt. Meenakhi Sahu	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 005	Smt. Pabitra Sabat	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 006	Sri. Sudastna Sahu	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 007	Sri. Jugal Kr. Panda	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 008	Smt. Rashmita & R. Panda	575.00		6900.00	6900.00		7475.00	7475.00	0.00	-575.00	-575.00
SN 009	Sri. Subash Ch. Panda	575.00		6900.00	6900.00		6900.00	6900.00	0.00	0.00	0.00
SN 010	Sri. Birendra Ku. Padhy	605.00		7260.00	7260.00		7260.00	7260.00	0.00	0.00	0.00
SN 011	Sri. P. Anadi Patro	465.00		5580.00	5580.00		5580.00	5580.00	0.00	0.00	0.00
SN 012	Sri. R.N. Choudhury	465.00		5580.00	5580.00		4185.00	4185.00	0.00	1395.00	1395.00
SN 013	Sri. Kasinath Panigrahi	465.00		5580.00	5580.00		5580.00	5580.00	0.00	0.00	0.00

SN 014	Sri. Kala Krushna Sabat	465.00		5580.00	5580.00		5580.00	5580.00	0.00	0.00	0.00
SN 015	Sri. PM. Panigrahy	465.00		5580.00	5580.00		5580.00	5580.00	0.00	0.00	0.00
SN 016	Sri. Jogindra Panigrahy	465.00		5580.00	5580.00		5580.00	5580.00	0.00	0.00	0.00
SN 017	Sri. Brundaban Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 018	Sri. E.Ramesh Ch. Patro	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 019	Smt. Saraswati Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 020	Sri. Simanchal Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 021	Sri. Raghunath Sabat	135.00		1620.00	1620.00		1620.00	1620.00	0.00	0.00	0.00
SN 022	Sri. D.D. Nahak	135.00		1620.00	1620.00		1620.00	1620.00	0.00	0.00	0.00
SN 023	Sri. Bijaya Ch. Patro	135.00		1620.00	1620.00		1620.00	1620.00	0.00	0.00	0.00
SN 024	Smt. Sabita GOuda	135.00		1620.00	1620.00		1620.00	1620.00	0.00	0.00	0.00
SN 025	Sri. Bichitrana da Panda	385.00		4620.00	4620.00		4620.00	4620.00	0.00	0.00	0.00
SN 026	Sri. Kailash Ch. Polai	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 027	Sri. Jagadhis Gouda	350.00		4200.00	4200.00		1400.00	1400.00	0.00	2800.00	2800.00
SN 028	Sri. Subrat Choudhury	350.00		4200.00	4200.00		3150.00	3150.00	0.00	1050.00	1050.00
SN 029	Smt. R. Sabitri	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 030	Sri. Ejiya Patra	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 031	Sri. Kampa Sethi	190.00	2160.00	2280.00	4440.00			0.00	2160.00	2280.00	4440.00
SN 032	Sri. Bansidhar Sahu	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 033	Sri. Raghunath Sethi	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 034	Sri. Surendra Nath Sahu	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 035	Sri. Prahallad Gouda	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 036	Sri Santosh Kumar Sahu	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 037	Sri. Damodar Sabat	190.00		2280.00	2280.00		2280.00	2280.00	0.00	0.00	0.00
SN 038	Sri. L. Srinivas Rao(Evicted)		200.00	0.00	200.00		0.00	0.00	200.00	0.00	200.00
SN 039	Sri. Satish	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00

	Ku. Baitharu										
SN 040	Sri. Satyanarayan Panda	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00
SN 041	Sri. Krushna Behera	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00
SN 042	Sri. T. Subash Ch. Patra	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00
SN 043	Sri. Dayanidhi Sahu	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00
SN 044	Sri. U. Simanchala Patra	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00
SN 045	Sri. Bijaya Ku. Dakua	240.00		2880.00	2880.00		2880.00	2880.00	0.00	0.00	0.00
SN 046	Sri. Kishor Ch. Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 047	Sri. Biswanath Sahu	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 048	Sri. Lokanath Swain	350.00	15000.00	4200.00	19200.00	8000.00		8000.00	7000.00	4200.00	11200.00
SN 049	Sri. Bipra Gouda	350.00	2345.00	4200.00	6545.00			0.00	2345.00	4200.00	6545.00
SN 050	Sri. P.N. Samantara	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 051	Sri. Surendra Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 052	Sri. Jagannath Gouda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 053	Sri Jagabandhu Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 054	Sri. Harihara Sahu	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 055	Sri. Udayanath Sahu	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 056	Sri. Trinath Panigrahi	350.00		4200.00	4200.00		3150.00	3150.00	0.00	1050.00	1050.00
SN 057	Sri Debaraj Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 058	Sri. Ujala Polai	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 059	Sri. Kunal Panigrahi	350.00		4200.00	4200.00		3150.00	3150.00	0.00	1050.00	1050.00
SN 060	Sri. Sudarshan Swain	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 061	Sri. R.K. Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 062	Sri. M. Satyanarayan Das	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 063	Sri. Bhobini Sahu	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 064	Sri. Simanchala Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 065	Sri. Ranka	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00

	Gouda										
SN 066	Sri. Gourahari Sabat	350.00	3720.00	4200.00	7920.00		4200.00	4200.00	3720.00	0.00	3720.00
SN 067	Sri. Damburudhar Nahak	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 068	Sri. Kirtan Sahu	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 069	Sri. Sudarsan Panigrahi	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 070	Sri. P.K. Choudhury	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 071	Sri. Bhagaban Patra	350.00		4200.00	4200.00			0.00	0.00	4200.00	4200.00
SN 072	Sri. Judhistira Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 073	Sri. Trilochan Patra	350.00		4200.00	4200.00			0.00	0.00	4200.00	4200.00
SN 074	Sri. Brundaban Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 075	Smt. R.K. Panigrahi	350.00		4200.00	4200.00		3500.00	3500.00	0.00	700.00	700.00
SN 076	Sri. Rajendra Ku. Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 077	Smt. Joshna Rani Pathi	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 078	Smt. Prabhati Gouda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 079	Sri. Ram Krushna Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 080	Sri. Raghunath Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 081	Smt. Santilata Das	350.00		4200.00	4200.00			0.00	0.00	4200.00	4200.00
SN 082	Sri. Akhaya Ku. Das	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 083	Sri. Suryanarayan Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 084	Smt. Budhi Gouda	350.00		4200.00	4200.00		2800.00	2800.00	0.00	1400.00	1400.00
SN 085	Sri. Bhima Swain	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 086	Sri. Bhagirathi Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 087	Sri. Rabindra Muni	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 089	Sri. Santosh Ku. Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 090	Sri. Kishor Ch. Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 091	Smt. Geetanjali	350.00		4200.00	4200.00		3150.00	3150.00	0.00	1050.00	1050.00

	Dakua										
SN 092	Sri. Ranjan Pradhan	350.00		4200.00	4200.00		1050.00	1050.00	0.00	3150.00	3150.00
SN 093	Sri. Raghunath Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 094	Smt. Jhunu Choudhury	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 095	Smt. Radharani Sahu	350.00		4200.00	4200.00		3150.00	3150.00	0.00	1050.00	1050.00
SN 096	Sri. Dibyasingh a Pathy	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 097	Sri. B. Ajit Ku. Subudhi	350.00		4200.00	4200.00		1050.00	1050.00	0.00	3150.00	3150.00
SN 098	Sri. Biswanath Gouda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 099	Sri. P. Pradeep Ku. Patra	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 100	Sri. Sudarsan Panda	350.00		4200.00	4200.00		2800.00	2800.00	0.00	1400.00	1400.00
SN 101	Sri. Harihar Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 102	Sri. Lokanath Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 103	Sri Rajendra Ku. Sahu	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 104	Smt. Sushila Sabat	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 105	Sri. Udayanath Padhy	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 106	Smt. Usharani Sahu	350.00	4020.00	4200.00	8220.00	4020.00	4200.00	8220.00	0.00	0.00	0.00
SN 107	Sri Jogindra Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 108	Sri. Sitaram Badatiya	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 109	Sri. Laxminarayan Panda	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00
SN 110	Sri. Sankar Polai	330.00		3960.00	3960.00		3960.00	3960.00	0.00	0.00	0.00
SN 111	Sri. Amar Kumar Das	300.00		3600.00	3600.00		2100.00	2100.00	0.00	1500.00	1500.00
SN 112	Sri. Prafulla Behera	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 113	Sri. Sujit Ku. Pattnaik	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 114	Sri. Ajit KU. Pattnaik	300.00		3600.00	3600.00		2700.00	2700.00	0.00	900.00	900.00
SN 115	Sri. Babanath Panda	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 116	Sri. Ladu Kishor Panda	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00

SN 117	Smt. Pramila Sabat	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 118	Sri. Binayak Das	300.00		3600.00	3600.00		2400.00	2400.00	0.00	1200.00	1200.00
SN 119	Sri. Ramesh Ku. Swain	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 120	Sri. Ramesh Ch. Padhy	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 121	Sri. Mochiram Sahu	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 122	Smt. Namita Sabat	330.00		3960.00	3960.00		3960.00	3960.00	0.00	0.00	0.00
SN 123	Sri. Bata Krushna Sabat	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 124	Sri. Arjuna Gouda	300.00		3600.00	3600.00		2400.00	2400.00	0.00	1200.00	1200.00
SN 125	sri. Subash Ch. Swain	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 126	Sri. Lokanth Sabat	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 127	Smt. Namita Ku. Dakua	300.00		3600.00	3600.00		3000.00	3000.00	0.00	600.00	600.00
SN 128	Sri. Mangulu. Choudhury	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 129	Sri. G.H. Samantara	300.00		3600.00	3600.00			0.00	0.00	3600.00	3600.00
SN 130	Sri. Ramesh Ch. Padhy	300.00		3600.00	3600.00		2700.00	2700.00	0.00	900.00	900.00
SN 131	Sri Sibaram Gouda	330.00		3960.00	3960.00		3960.00	3960.00	0.00	0.00	0.00
SN 132	Sri. N.R.Pattnaik	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 133	Sri. Nabakalebar Panda	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 134	Sri. Saroj Kumar Panda	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 135	Sri. Bijaya Ku. Patra	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 136	Sri. Trinath sahu	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 137	Sri. Bijaya Ku. Behera	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 138	Sri. R.N. Padhy	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 139	Sri Simanchala Nahak	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 140	Sri. Kailash Ch. Gouda	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 141	Sri. P. Rajendra Patra.	300.00		3600.00	3600.00		3600.00	3600.00	0.00	0.00	0.00
SN 142	Sri.	350.00		4200.00	4200.00		4200.00	4200.00	0.00	0.00	0.00

	Sudarsan Sasamal										
	Total	47455.00	27445.00	569460.00	596905.00	12020.00	517610.00	529630.00	15425.00	51850.00	67275.00
Qr. NO.	Slum Quarter										
1	Smt. Minati Swain	900.00		10800.00	10800.00		10800.00	10800.00	0.00	0.00	0.00
2	Sri. Ramesh Ch. Panda	900.00		10800.00	10800.00		10800.00	10800.00	0.00	0.00	0.00
	Total	1800.00	0.00	21600.00	21600.00	0.00	21600.00	21600.00	0.00	0.00	0.00
	Grand Total		27445.00	591060.00	618505.00	12020.00	539210.00	551230.00	15425.00	51850.00	67275.00

Abstract of Demand, Collection and Balance position of Market Stalls for the year 2016-17 of NAC, Hinjilicut

	Demand	Collection	Balance
Arrear	27445.00	12020.00	15425.00
Current	569460.00	517610.00	51850.00
Total	596905.00	529630.00	67275.00

Year Wise Breakup

Year	Amount
1984-85	3720.00
2014-15	3180.00
2015-16	8525.00
2016-17	52150.00
Total	67575.00

The details of stall wise information is furnished in **Annexure** attached to this report.

During the exit conference the local authority stated that steps are being taken to collect all the above outstanding dues, and follow the instructions as suggested by audit. The local authority is advised to ensure it.

PARA: 14 AUDIT OF EXPENDITURE

14.1 - Staff Position of the N.A.C

SI No.	Name of the post	Number of Sanctioned Post	Men Position	Vacant / Excess	Remarks
1	Executive Officer	1	1	0	
2	Municipal Engineer(BRGF)		1		Contractual(appointed by Govt.)
3	Junior Engineer (Civil)	1	1	0	Contractual (appointed by H&U.D. Deptt.)
4	Junior Engineer (BRGF)	---	2	0	Contractual (appointed by Govt.). + GPTA
5	Sr. Assistant	1	0	Vacant - 1	

6	Jr. Assistant	2	2	0	
7	Accountant (BRGF)	---	1	0	Contractual (appointed by H&U.D. Deptt.)
8	MIS Computer Programmer (BRGF)	---	1	0	Contractual (appointed by H&U.D. Deptt.)
9	Community Organiser	---	1	0	Contractual (appointed by H&U.D. Deptt.)
10	Tax Sarkar	4	4	0	
11	Octrai Moharior	8	8	0	
12	Octrai Peon	9	9	0	
13	Office Peon	1	1	0	
14	Orderly Peon to Chairperson	1	1	0	
15	Sanitary Zamadar	1	1	0	
16	Sweeper	16	7	Vacant -9	
17	Tractor Driver	1	1	0	Sanction by Govt. to appoint on consolidated pay.
18	Night Watcher	1	1	0	
19	Amin	1	1	0	Contractual appointed by Council (Retd. R.I.)

14.2 - Irregular payment of Grade pay to JE POM P-38-39

Govt in H&UD deptt invited suggestion with due resolution of council vide letter No 14889 dated 24.03.2014 of H& UD Deptt from every NACs/Municipalities on the basis of availability of own fund regarding payment of grade pay to the contractual employed civil engineers underurban deptt. But no order has been issued from H& UD deptt. for payment of Grade pay to the contractual employed BRGF Scheme JES. Further the civil engineer engaged under BRGF scheme are not base level post under LFS cadre. Keeping in view of the above notification while checking of monthly salary bill of Sri Manas Ranjan Das, JE (BRGF). w.r. to paid vouchers during the year under audit, it is noticed that **Rs.50400.00** has been paid towards Grade pay @ 4200.00 as per the below details, without approval of Govt in H&UD Deptt.

Month	Scale of pay	Grade Pay	Total	Vr.No./Date	Acq.Page No.
3/16	9300.00	4200.00	13500.00	15/11.04.16	17
4/16	9300.00	4200.00	13500.00	58/21.05.16	24
5/16	9300.00	4200.00	13500.00	67/09.06.16	28
6/16	9300.00	4200.00	13500.00	103/14.07.16	32
7/16	9300.00	4200.00	13500.00	155/04.08.16	36
8/16	9300.00	4200.00	13500.00	207/22.09.16	43
9/16	9300.00	4200.00	13500.00	227/03.10.16	49
10/16	9300.00	4200.00	13500.00	245/10.11.16	53
11/16	9300.00	4200.00	13500.00	338/06.12.16	58
12/16	9300.00	4200.00	13500.00	397/07.01.17	88
01/17	9300.00	4200.00	13500.00	445/08.02.17	93
02/17	9300.00	4200.00	13500.00	494/07.03.17	98
Total		50400.00			

As such it may be stated to audit, why **Rs. 50400.00** shall not be recovered from Sri Manas Ranjan Das, J.E (BRGF) may be clarified to audit.

In response to Audit Objection Statement the local authority stated that " The Grade Pay has been paid as per Council Resolution and post facto approval of H & UD Deptt., Govt. of Odisha will be taken. The reply of local authority not settled the objection. Till production of Govt. approval the entire amounts of **Rs 50400.00** is kept under objection.

14.3 - Irregular payment of Grade Pay to AE POM P-39

Likewise as per previous paragraph, while checking of monthly salary bill of Sri Priyabrata Singh, AE (BRGF). with reference to paid vouchers during the year under audit, it is noticed that **Rs.2700.00** has been paid towards Grade pay @ 4200.00 as per the following details:

Month	Scale of pay	Grade Pay	Total	Vr.No./Date	Acq.Page No.
3/16(1.3.16 to 9.3.16)	2700.00	1219.00	3919.00	15/11.04.16	17
Total		1219.00			

As such it may be stated to audit, why **Rs.1219.00** shall not be recovered from Sri Priyabrata Singh, AE (BRGF) may be clarified to audit.

In response to Audit Objection Statement the local authority stated that " The Grade Pay has been paid as per Council Resolution and post facto approval of H & UD Deptt., Govt. of Odisha will be taken. The reply of local authority not settled the objection. Till production of Govt. approval the entire amounts of **Rs 1219.00** is kept under objection.

14.4 - Irregular engagement of Contractual Staff/DLR -POM P-39-40

Irregular engagement of Contractual Staff/DLR :-

As per provision contained in section 73(1) of the Odisha Municipal Act-1950, every municipality with the previous sanction of the state Govt. further as per provisions of Section 73(2) of the Act, Municipality may in case of emergency make provision for temporary employment of employees for a period not exceeding 44 days. Section 73-A(2) stipulates that the pay and allowances paid to the person whose appointment is in contravention of the provisions of the this Act shall be deemed to be an illegal payment and a loss to the municipality and the same shall be recoverable by surcharge proceeding as per OLFA Act 1948. Further circular No. Mis 129/2000/3605/HUD dated 15.12.2000 clearly

speaks about the disengagement of DLR/HMRs /CMSs after the date 19.05.1997.

On checking of the vouchers/ARs for the year under audit, it was seen that a total sum of Rs.11,77,350.00 was shown as expenditure towards payment of wages to DLR/NMR engaged on daily basis for sanitation work, which is highly irregular, un-authorised payment and violation of Office order 19941/HUD,Dt.14.9.81,17815/HUD,Dt.12.4.09 read with 36051/HUD/Dt.5.10.04,20133/HUD/28.9.04. Further a total sum of Rs.3,24,000.00 is shown as expenditure towards payment of wages to

consolidated staff appointed by the council during the year 2016-17. The prior approval order of Govt may be produced for verification. The details of payment is as below.

Vr No/Date	Month	Amount	No of DLR
04/7.4.16	3/16	77700.00	28
102/14.7.16	4 to 6/16	216450.00	31
162/9.8.16	7/16	81200.00	30
217/22.9.16	8/16	109400.00	31
250/6.10.16	9/16	125600.00	35
356/15.12.16	10/16	105000.00	35
362/17.12.16	11/16	118400.00	35
409/16.1.17	12/16	129200.00	37
456/8.2.17	1/17	117600.00	36
537/24.3.17	2/17	96800.00	35
	Total	11,77,350.00	

Council consolidated

	Name	Designation	Period	Amount
1	Sri Prakas Ch.Samantara	Amin	3/16 to 2/17 @5000/month	60000.00
2	Sri E.Kisan Kumar Patro	D.E.O	3/16 &4/16 @6500/month (13000) &5/16 to 2/17 @7500/month(75000)	88000.00
3	Sri Prabhakar Swain	T.Driver	3/16 &4/16 @6500/month (13000) &5/16 to 2/17 @7500/month(75000)	88000.00
4	Sri P. Mahankuda	L. Checker	3/16 &4/16 @6500/month (13000) &5/16 to 2/17 @7500/month(75000)	88000.00
			Total	324000.00

In response to POM the local authority stated that the DLR's have been engaged for sanitation purpose and the process of privatisation of sanitation work would be taken up immediately and contractual staff have been engaged for the smooth functioning of the Municipality. However, steps would be taken for post facto approval of Govt. Till approval of Govt the sum of Rs.324000.00 is kept under objection.

14.5 - Detailed expenditures statement on legal expenses and file wanting -POM P-41

On checking of the paid voucher of the year 2016-17 it is seen that a sum of Rs. 18000.00 has been paid to Sri Hari Krishna Panigrahi(Advocate) towards legal expenses in the following vouchers:-

Voucher No./ Date	Amount	Remarks
219(2)/22.9.16	18000.00	
Total	Rs. 18000.00	

Against the above expenditure the following Audit points may be clarified :

1. The Council Resolution in support of engagement of Sri Hari Krishna Panigrahi (Advocate) as a legal advisor of this NAC is wanting.

2) The amount booked expenditure instead of advance without ascertaining actual expenditure.

3) The details statement of expenditure in the individual cases couldn't be made available .

4) Budgetary provision for such expenses couldn't be made available.

5) The details particular of cases for finalization has been given to the above advocate couldn't be made available.

In response to POM the local authority failed to produce any compliance. However, steps would be taken for production of proper compliance for settlement of the objection. Till then the entire amount of Rs 18000.00 is kept under objection.

14.6 - Acknowledgement wanting POM P-41-42

A sum of Rs **115307.00** expenditure made during the year under audit where the acknowledgement may be produce for verification.

Vr. No./Date	Amount	Particulars
39/4.5.16	75069.00	Deposited Royalty
83/22.6.16	5754.00	Deposited Royalty
394/3.1.17	8946.00	Deposited Royalty
294/5.11.16	12900.00	Deposited Royalty
443/6.2.17	12638.00	Deposited Royalty
Total	115307.00	

At the time of Exit Conference Local authority produced proper acknowledgement against the deposit of Royalty. which is verified. Hence the para dropped.

PARA: 15 AUDIT ON WORKS

15.1 - Irregularities noticed in maintenance of Case Records

The following Irregularities are noticed in maintenance of Case Record during 2016-17

- 1) In almost all case records , the Sanction order of grants under which projects are taken up not mentioned .
- 2) Council Resolution No and date has not been mentioned in the case records in support of approval of projects in the council.
- 3) Completion certificates duly signed by competent authority are not kept in all case record.

15.2 - Name of the Work -Improvement of road & drain at Mohan Colony 2nd Lane, ward-7 POM-46-47

Head of Account: - BRGF & Own Fund

Estimated Cost:-Rs.990000.00

Agreement Value:-Rs.909810.00

Vr.No.358/17.12.16,

Rs:-114867.00 M.B No.17/ 14-15 Page No.108-116

Vr No.---/1.11.15 Rs 794973.00 M.B No.23/15-16 Page No.20-56

Contractor:-Sri Sukanta Behera

Jr. Engineer:- Sri Manas Ranjan Das

a)Excess payment due to allowing of C.C(1:1 ½:3) instead of M-20 in CC works:-

Analysis of rate 2006 vide page-49 discloses the fact that C.C. work is to be executed by M-20 instead of C.C (1:1 ½:3) as it is clearly meant for minor repair work only. But by avoiding the said analysis excess payment to the tune of **Rs 6615.00** as furnished hereunder has been paid in excess towards the differential cost of cement which needs to be recovered from the person concerned.

Particulars	Qty of Cement excess utilised	Details of cement excess utilised per Cum work
C.C.(1:1 ½:3)using 12mm HGCB chips including all cost complete.	12.81cumX0.82Qtls/cum	C.C. (1: 1 ½:3)=4.29Qtls/Cum
1 st R/A Bill & 2nd R/A Bill=12.81cum	= 10.50 Qtls	M-20 =3.47Qtls/Cum Excess cement=0.82Qtls/cum

Excess paid = 10.50 Qtls X @ 630/-/ Qtl (315/- per bag of cement) = Rs 6615.00

Hence a sum of Rs.6615.00has been excess paid which needs recovery.Early steps need be taken to recover the excess paid amount of **Rs.6615.00** and compliance reported.

b)Less deduction of royalty on sand & stone products .

On checking of the work bills it is noticed that the royalty in respect of sand and stone products has been less deducted. Due to such lapses the Govt. has sustained a loss to the extent of Rs. 1007.00 which furnished details below and compliance reported to audit otherwise excess work done of that amount .In response to audit objection statement the local authority stated that "Royalty has been deducted as per the rate given in the estimate & as per rate of Analysis." The reply of local authority not fully settled the objection. Due to less deduction of Royalty Govt revenue is at a loss of Rs.1007.00 which is furnished detail below. In future this practise may be avoided.

Qty of Product	Royalty Due	Royalty Collected	Amount Less collected
Sand 19 cum @39/cum	741.00	2653.00	1007.00
Metal +Chips			
Total Stone product = 21cum @139/cum	2919.00		
	3660.00		

At the time of Exit Conference the total amount of Rs.6615.00 has been recovered from contractor which is reflected vide Vr. No. 774 dt. 15.3.18.Hence the para dropped.

15.3 - Name of the Work -R/R of drain at Nehru Marga, Hinjilicut.POM-48

Head of Account: - SRC 13-14

Estimated Cost:-Rs. 900000.00

Agreement Value:-Rs. 891465.00

Vr.No.63/24.5.16 & Vr.--/18.4.15

Rs:-839365.00 M.B No.24/15-16 Page No.165-175

Contractor:-Sri Rohit Kumar Bisoi

Jr. Engineer:- Sri Manas Ranjan Das

a)Excess payment due to allowing of C.C(1:1 ½:3) instead of M-20 in CC works:-

Analysis of rate 2006 vide page-49 discloses the fact that C.C. work is to be executed by M-20 instead of C.C (1:1 ½:3) as it is clearly meant for minor repair work only. But by avoiding the said analysis excess payment to the tune of **Rs 9834.00** as furnished hereunder has been paid in excess towards the differential cost of cement which needs to be recovered from the person concerned.

Particulars	Qty of Cement excess utilised	Details of cement excess utilised per Cum work
C.C.(1:1 ½:3)using 12mm HGCB chips including all cost complete.	17.79cumX0.82Qtls/cum	C.C. (1: 1 ½:3)=4.29Qtls/Cum
1 st R/A Bill &	= 14.59 Qtls	M-20 =3.47Qtls/Cum
2nd R/A Bill=17.79cum		Excess cement=0.82Qtls/cum

Excess paid = 14.59 Qtls X @ 674/-/ Qtl (337/- per bag of cement)= Rs 9834.00

Hence a sum of Rs.9834.00 has been excess paid which needs recovery.Early steps need be taken to recover the excess paid amount of Rs **9834.00**and compliance reported.

At the time of Exit Conference the total amount of Rs.9834.00 has been recovered from contractor which is reflected vide Vr. No. 712 dt. 17.2.18.Hence the para dropped.

15.4 - Name of the Work -Peripheral development of Biju Pattnaik Kalyan Mandap, Hinjilicut.POM P-49-50

Head of Account: - Road Development

Estimated Cost:-Rs. 298908.00

Agreement Value:-Rs. 264534.00

Vr.No.56/18.5.16 Rs:-263970.00

M.B No.23/15-16 Page No.169-173

&24/15-16 Page No 108-120

Contractor:-Sri Damodar Sahu

Jr. Engineer:- Sri Manas Ranjan Das

Excess payment due to excess measurement recorded in the MB.

On verification of the above work C/R w.r to MB & other connected records it is seen that a sum of Rs **6493.00** was paid in the contractor in excess due to entered excess measurement in 1st & Final bill,which is beyond the requirement cannot be admitted in audit & suggested for recovery .

Item	Quantity shown	Quantity admissible(As per Estimate & Tender)	Excess	Rate	Total
Item No-1 (Earth Work)	84.86 cum	65.40 cum	19.46 cum	71.72/cum	1396.00
Item No-3 (CC 1:3:6)	32.88 cum	32.70 cum	0.18 cum	3172.81/cum	571.00
Item No-4 (CC 1:2:4)	33.72 cum	32.70 cum	1.02 cum	4437.21/ cum	4526.00
			Total		6493.00

Hence a sum of **Rs.6493.00** has been excess paid which needs recovery.Early steps need be taken to recover the excess paid amount of Rs **6493.00** and compliance reported.

At the time of Exit Conference the total amount of Rs.6473.00 has been recovered from contractor which is reflected vide Vr. No. 771 dt. 15.3.18.Hence the para dropped.

15.5 - Name of the Work -Improvement of road from Pattanaik street Chhak & Sriram Nagar Chhaka,W. No.-17 POM P-50-51

Head of Account: - 13th F.C. R & B

Estimated Cost:-Rs.800000.00

Agreement Value:-Rs.742000.00

Vr.No.221/1.10.16

Rs:-742400.00 M.B No.17/ 14-15 Page No.147-160 & MB No.21/15-16 Page No.198-199

Contractor:-Sri Subas Chandra Sathy

Jr. Engineer:- Sri Manas Ranjan Panda

a)Excess payment due to excess measurement recorded in the MB.

On verification of the above work C/R w.r to MB & other connected records it is seen that a sum of Rs **2549.00** was paid in the contractor in excess due to entered excess measurement in 1st & Final bill,which is beyond the requirement cannot be admitted in audit & suggested for recovery .

Item	Quantity shown	Quantity admissible(As per Estimate & Tender)	Excess	Rate	Total
Item No-3 (Sand Filling)	26.70 cum	25.08 cum	1.62 cum	252.60/cum	409.00
Item No-4 (CC 1:2:4)	97.39 cum	96.93 cum	0.46 cum	4652.81/ cum	2140.00
				Total	2549.00

Hence a sum of **Rs.2549.00** has been excess paid which needs recovery

b) Non deduction of royalty on earth work

On checking of the work bills it is noticed that the royalty in respect of earth work has not been deducted. Due to such lapses the Govt. has sustained a loss to the extent of Rs. 3900.00 which furnished details below and compliance reported to audit otherwise excess work done of that amount .In response to audit objection statement the local authority stated that "Royalty has been deducted as per the rate given in the estimate & as per rate of Analysis." The reply of local authority not fully settled the objection. Due to non deduction of Royalty rate Govt revenue is at a loss of Rs.3900.00 which is furnished detail below. In future this practise may be avoided.

Qty of earth work executed	Royalty Due	Royalty Collected	Amount Less collected
100.42 cum	3900.00(Rs39/cum)	Nil	3900.00

Hence a sum of Rs **2549.00**.has been excess paid which needs recovery.Early steps need be taken to recover the excess paid amount of **Rs 2549.00** and compliance reported.

At the time of Exit Conference the total amount of Rs.2549.00 has been recovered from contractor which is reflected vide Vr. No. 772 dt. 15.3.18.Hence the para dropped.

15.6 - Name of the Work -R/R of road at OMSAI Marga,

Head of Account: -S.R.C

Estimated Cost:-Rs. 1000000.00

Agreement Value:-Rs. 898999.00

Vr.No.06/07.04.16 Rs:-142373.00

M.B No.22/15-16 Page No.184-199

& Vr. No.72/18.5.15 Rs690221.00 MB13/14-15 Page No 83-99

Contractor:-Sri Binod Kumar Padhi

Jr. Engineer:- Sri Manas Ranjan Panda

Excess payment due to excess measurement recorded in the MB.

On verification of the above work C/R w.r to MB & other connected records it is seen that a sum of Rs **6669.00** was paid in the contractor in excess due to entered excess measurement in 1st & Final bill, which is beyond the requirement cannot be admitted in audit & suggested for recovery .

Item	Quantity shown	Quantity admissible(As per Estimate & Tender)	Excess	Rate	Total
Sand Filling	25.54 cum	22.28 cum	3.26 cum	218.89/cum	714.00
Item No-3 (CC 1:3:6)	24.14 cum	22.28 cum	1.86 cum	3201.73/cum	5955.00
			Total		6669.00

Hence a sum of **Rs.6669.00** has been excess paid which needs recovery. Early steps need be taken to recover the excess paid amount of Rs **6669.00** and compliance reported.

At the time of Exit Conference the total amount of Rs.6669.00 has been recovered from contractor which is reflected vide Vr. No. 773 dt. 15.3.18. Hence the para dropped.

15.7 - Name of the Work -Constn. of Madhubabu Non-Residential Commercial Market Complex , at Bus Stand.,N.A.C Hinjilicut.

Head of Account: -IDSMT, 13TH F.C.(GAB) & Own Fund

Estimated Cost:-Rs.71,00,000.00

Agreement Value:-Rs.6764957.00

Vr.No.164/16.8.16, Rs:-1070014.00 M.B No.19/ 14-15 Page No.27-43 & 48-55

Vr No.243/4.10.16 Rs 980992.00 M.B No. 19/ 14-15 Page No 57-91

Vr No.548/30.3.17 Rs 1149808.00 M.B No.27/16-17 Page No 123-131 & 19/ 14-15 Page No 179-199

Contractor:-Sri Sankarsan Behera

Jr. Engineer:- Sri Manas Ranjan Panda

a) Excess payment due to allowing of C.C(1:1 ½:3) instead of M-20 in CC works:-

Analysis of rate 2006 vide page-49 discloses the fact that C.C. work is to be executed by M-20 instead of C.C (1:1 ½:3) as it is clearly meant for minor repair work only. But by avoiding the said analysis excess payment to the tune of Rs 87143.00 as furnished hereunder has been paid in excess towards the differential cost of cement which needs to be recovered from the person concerned.

Particulars	Qty of Cement excess utilised	Details of cement excess utilised per Cum work
C.C.(1:1 ½:3) using 12mm HGCB chips including all cost complete.	156.75cum X 0.82Qtls/cum = 128.53 Qtls	C.C. (1: 1 ½:3)=4.29Qtls/Cum
1 st R/A Bill (38.55+14.48)=53.03cum		M-20 =3.47Qtls/Cum
2 nd R/A Bill (18.9+33.85)=52.75cum		Excess cement=0.82Qtls/cum
3 rd R/A Bill (19.02+1.50+30.45)=50.97cum		
Total executed=156.75cum		

Excess paid = 128.53 Qtls X @ 674/- Qtl (337/- per bag of cement) = Rs 86629.00

Hence a sum of Rs.86629.00 has been excess paid which needs recovery. Early steps need be taken to recover the excess paid amount of **Rs.**

86629.00 and compliance reported.

b) Less deduction of royalty on sand & stone products.

On checking of the work bills it is noticed that the royalty in respect of sand and stone products has been less deducted. Due to such lapses the Govt. has sustained a loss to the extent of Rs. 5359.00 which furnished details below and compliance reported to audit.

Bill	Qty of Product	Royalty Due	Royalty Collected	Amount Less collected
1 st R/A Bill	Sand 39.42 cum @39/cum Metal +Chips Total Stone product = 53.68cum @139/cum	1537.00 <u>7462.00</u> 8999.00	6432.00	2567.00
3rd R/A Bill	Sand 44.40 cum @39/cum Metal +Chips Total Stone product = 59.04cum @139/cum	1732.00 <u>8207.00</u> 9939.00	7147.00	2792.00
			Total	5359.00

Hence a sum of Rs **86629.00** has been excess paid which needs recovery. Early steps need be taken to recover the excess paid amount of Rs **86629.00** and compliance reported.

At the time of Exit Conference the local authority stated that "As per IRC code - 2L M-20 grade Concrete is used in moderate structure. Madhubabu Complex is Severe structure. In this case M-25 / M-30 grade is applicable. As Hinjicut Municipality area batching plant is not available, that's why we have not provided the design mix of M-20 grade. The Madhubabu building is two storied building and span between column is around 20 feet. So in this case we have provided RCC as (1:1.5:3) as nominal mix (as per availability). The estimate has also technical sanctioned by ILW -cum- S.E. (P.H) Berhampur.

In view of the reply of the local authority the Local Authority as well as from technical point of view it was felt necessary to execute the RCC work of the multy stored building by RCC (1:1.5:3) to make the concrete more durable adhesive. Hence considering the reply of Local Authority the para is dropped.

15.8 - Loss of Govt. revenue due to less collection of royalty on sand & stone products. POM P-43-45

On checking of the following work bills it is noticed that the royalty amount in respect

of sand and stone products has been less collected in the time of bill paid. Due to such lapses the Govt. has sustained a loss to the extent of Rs. **25213.00** otherwise excess work done of that amount. In response to audit objection statement the local authority stated that "Royalty has been deducted as per the rate given in the estimate & as per rate of Analysis." The reply of local authority not fully settled the objection. Due to delay of work the cost of royalty enhanced which the cost of royalty related items should be revised but not done. Hence due to non revision the enhance Royalty rate Govt revenue is at a loss of Rs.25213.00 which is furnished detail below.

Sl. No.	Particulars	Qty of Product	Royalty Due	Royalty Collected	Amount Less collected
1	Name of the Work :-Improvement of road	Sand 63cum @39/cum	2457.00	11965.00	4531.00

	<p>and drain Ward No.2.N.A.C Hinjilicut.</p> <p>Head of Account: - RD-14-15</p> <p>Estimated Cost:-Rs. 500000.00</p> <p>Agreement Value:-Rs. 450000.00</p> <p>Vr.No.234/4.10.16, Rs:-441507.00 M.B No.17/ 14-15Page No.97-100</p> <p>Contractor:-Sri Kahnu Sethy</p> <p>Jr. Engineer:- Sri Manas Ranjan Das</p>	<p>Metal 47cum</p> <p>Chips 54cum</p> <p>Total Stone product =101cum @139/cum</p>	<p>14039.00</p> <p>-----16496.00</p>	<p>(4747+5454)</p>	
2	<p>Name of the Work :-Improvement of road, drain & culvert from Nrusingh Mandira Chhaka to Bhimabhoi Marga, at Ward No.9.N.A.C Hinjilicut.</p> <p>Head of Account: - 14th F.C.</p> <p>Estimated Cost:-Rs. 500000.00</p> <p>Agreement Value:-Rs. 449690.00</p> <p>Vr.No.438/4.2.17, Rs:-417059.00 M.B No.19/ 14-15Page No.93-116</p> <p>Contractor:-Sri Kahnu Sethy</p> <p>Jr. Engineer:- Sri Manas Ranjan Panda</p>	<p>Sand 142.44cum @39/cum</p> <p>Metal +Chips</p> <p>Total Stone product = 77.97cum @139/cum</p>	<p>5555.00</p> <p>10838.00</p> <p>-----16393.00</p>	<p>11785.00</p>	<p>4608.00</p>
3	<p>Name of the Work :-R/R of Deula Bandha Embakment road at Ward No.9.N.A.C Hinjilicut.</p> <p>Head of Account: - M.V Tax</p> <p>Estimated Cost:-Rs. 450000.00</p> <p>Agreement Value:-Rs. 449690.00</p>	<p>Sand 70.150cum @39/cum</p> <p>Metal +Chips</p> <p>Total Stone product = 90.45cum @139/cum</p>	<p>2736.00</p> <p>12573.00</p> <p>-----15309.00</p>	<p>11007.00</p>	<p>4302.00</p>

	<p>Vr.No.438/4.2.17, Rs:-4045499.00 M.B No.19/ 14-15Page No.132-148</p> <p>Contractor:-Sri Panchanan Das</p> <p>Jr. Engineer:- Sri Manas Ranjan Panda</p>				
4	<p>Name of the Work :-Renovation of Premises of Sanakali temple at Ward No.4.N.A.C Hinjilicut.</p> <p>Head of Account: - MLALAD</p> <p>Estimated Cost:-Rs. 200000.00</p> <p>Agreement Value:-Rs. 200000.00</p> <p>Vr.No.380/27.12.16, Rs:-200000.00 M.B No.17/ 14-15 Page No.117-124</p> <p>Contractor:-Sri Madhu Das</p> <p>Jr. Engineer:- Sri Manas Ranjan Das</p>	<p>Sand 48cum@39/cum</p> <p>Metal 34cum</p> <p>Chips 15cum</p> <p>Total Stone product = 49cum @139/cum</p>	<p>1872.00</p> <p>6811.00</p> <p>-----8683.00</p>	6293.00	2390.00
5	<p>Name of the Work :-Improvement of road & drain at Thana Tota street Ward No.11.N.A.C Hinjilicut.</p> <p>Head of Account: - MV Tax</p> <p>Estimated Cost:-Rs.825000.00</p> <p>Agreement Value:-Rs.763950.00</p> <p>Vr.No.240/4.10.16, Rs:-681944.00 M.B No.17/ 14-15Page No.74-96 & 26/15-16 page No.58-64</p> <p>Contractor:-Sri Jogendra Behera</p> <p>Jr. Engineer:- Sri Manas Ranjan Das</p>	<p>Sand 114cum @39/cum</p> <p>Metal +Chips</p> <p>Total Stone product = 137cum @139/cum</p>	<p>4446.00</p> <p>19043.00</p> <p>-----23489.00</p>	17029.00	6460.00
6	<p>Name of the Work :-Spreading of moorum at vending zone near R.C.M Hinjilicut.</p>	<p>Moorum 96.74cum @39/cum</p>	3773.00	2709.00	1064.00

	Head of Account: - Own Fund Estimated Cost:-Rs.49966.00 Agreement Value:-Rs.49966.00 Vr.No.223/1.10.16, Rs:-49855.00 M.B No26/15-16Page No.53-56 ,Contractor:-Sri Surendra Kumar Nayak Jr. Engineer:- Sri Manas Ranjan Das				
7	Name of the Work :-R/R of Gramadevati Temple ,Ankorada, Ward No.21.N.A.C Hinjilicut. Head of Account: - MLALAD Estimated Cost:-Rs. 150000.00 Agreement Value:-Rs.150000.00 Vr.No.435/3.1.17,Rs:-1 42333.00, M.B No.20/ 14-15Page No.188-198 Contractor:-Sri Sahadev Swain Jr. Engineer:- Sri Manas Ranjan Panda	Sand 43.35cum @39/cum Metal +Chips Total Stone product = 35.41cum @139/cum	1691.00 4922.00 -----6613.00	4755.00	1858.00
				Total	25213.00

PARA: 16 AUDIT ON UNITS / DEPARTMENT

PARA: 17 AUDIT ON SCHEMES / PROGRAMMES

17.1 - Target & achievements

Scheme wise target & achievements-Financial-

Name of the Scheme	Financial Achivement					
	O.B	Funds received during the year	Total Fund Available	Expenditure	Unspent Balance at the end of the year	Percentage of expenditure to that of

		2016-17				available fund
13th Finance Commission GAB (Non-Plan)	3899501	0	3899501	10921	3888580	0.28
13th F.C. R&B	940328	0	940328	833979	106349	88.69
13th F.C. Performance	500618	0	500618	0	500618	0.00
14th Finance Commission	6853000	9576000	16429000	1302330	15126670	7.93
Solid Waste Management	615793	0	615793	386700	229093	62.80
R.D. Grant with M.C.	2731112	0	2731112	705477	2025635	25.83
Devolution of Funds	11844000	6815000	18659000	0	18659000	0.00
M.V.Tax	2787786	1822000	4609786	1073455	3536331	23.29
Maintenance of R&B Non Plan Non Plan	4837002	2826000	7663002	1319693	6343309	17.22
Construction of Kalyan Mandap	290154	0	290154	290154	0	100.00
Conservation of Water Body	2500000	0	2500000	0	2500000	0.00
Performance based Incentive	1671000	0	1671000	0	1671000	0.00
Urban Asset Creation towards creation of C.C. Road	663457	0	663457	0	663457	0.00
Maintenance of Non Residential Building	100000	316000	416000	0	416000	0.00
Craton of capital asset for Revenue Generation	960000	960000	1920000	0	1920000	0.00
Maintenance of capital asset for Revenue Generation	458000	457000	915000	0	915000	0.00
Swachh Bharat Mission	7198738	0	7198738	139000	7059738	1.93
Basic Service Grant	7894000	26360000	34254000	0	34254000	0.00
Daily Market-cum-Market Complex and Skill Development Center	13000000	0	13000000	0	13000000	0.00
Special Problem Fund	185294	0	185294	0	185294	0.00
Special Development	559166	1000000	1559166	0	1559166	0.00

Fund						
OULM	1229000	0	1229000	378097	850903	30.76
IDSMT with Intt	3318387	0	3318387	3200814	117573	96.46
SPECIAL RELIEF COMMISSION	1102223	0	1102223	299022	803201	27.13
ML A LAD	6271132	2000000	8271132	1154774	7116358	13.96
MP LAD	6393138	6000000	12393138	1958252	10434886	15.80

Target & achievements / Percentage of physical achievements

	Name of the Scheme	Physical Achievement					Percentage of achivement
		No. of Spill over projects from previous years	No. of projects planned for the current year as per annuala action plan	Total	No. of projects completed during the year 2016-17	No. of spill over projects to the nex year	
1	13th Finance Commission GAB (Non-Plan)	5	0	5	0	5	0.00%
2	13th F.C. R&B	2	0	2	2	0	100.00%
3	13th F.C. Performance	2	0	2	0	2	0.00%
4	14th Finance Commission	13	18	31	3	28	9.68%
5	Solid Waste Management	2	0	2	1	1	50.00%
6	R.D. Grant with M.C.	8	0	8	2	6	25.00%
7	Devolution of Funds	6	0	6	0	6	0.00%
8	M.V.Tax	6	2	8	2	6	25.00%
9	Maintenance of R&B Non Plan Non Plan	7	11	18	2	16	11.11%
10	Construction of Kalyan Mandap	1	0	1	1	0	100.00%
11	Conservation of Water Body	3	0	3	0	3	0.00%

12	Performance based Incentive	1	0	1	0	1	0.00%
13	Urban Asset Creation towards creation of C.C. Road	1	0	1	0	1	0.00%
14	Maintenance of Non Residential Building	0	1	1	0	1	0.00%
15	Craton of capital asset for Revenue Generation	1	3	4	0	4	0.00%
16	Maintenance of capital asset for Revenue Generation	0	1	1	0	1	0.00%
17	Swachh Bharat Mission			0	0	0	0.00%
18	Basic Service Grant			0	0	0	0.00%
19	Daily Market-cum-Market Complex and Skill Development Center	2	0	2	0	2	0.00%
20	Special Problem Fund	1	0	1	0	1	0.00%
21	Special Development Fund	1	2	3	0	3	0.00%
22	OULM			0		0	0.00%
23	IDSMT			0		0	0.00 %
24	SPECIAL RELIEF COMMISSION	2	0	2	2	0	100.00%
25	ML A LAD	47	10	57	7	50	12.28%

26	MP LAD	21	0	21	2	19	9.52%
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From the above table it is clear that during the year 2016-17 the achievement of target in respect of development work is nearly 8.88% ,which is considered to be not so good performance. But in comparison to unspent grant it is noticed that as on 31.03.2017 there is a balance of Rs. **133882161.00**

, which clearly indicates that due to lack of proper planning ,the target has not been set up properly taking into account the availability of fund. Moreover, due to unrealistic budget such types of irregularities are noticed .

As such, it is suggested to the present EO to take a constructive approach for eradication of such type of imbalance in future and target should be set up keeping in view the availability of fund.

PARA-17-2

MPLAD Scheme

1. The fund position of MPLAD scheme of this NAC is given below

Opening Balance	Grant Received during the Year 2016-17	Total	Grant Utilised	Closing Balance	% of Utilization
1	2	3	4	5	6
6393138.00	6000000.00	12393138.00	1958252.00	10434886.00	15.80

It is seen that only one project has been taken up in this year 2016-17 but remained incomplete as on 31.03.2017. Therefore the local authority is suggested to take suitable step for early completion as per MPLAD scheme.

II) The UC position of MPLAD scheme is given below

Opening Balance	UC Due for Submission during the Year 2016-17	Total	UC Submitted during the Year	UC Pending at the end of the Year	% of UC Submitted
1	2	3	4	5	6
	1958252.00		0		

c) Achievement vis-a-vis Target fixed

Scheme	Financial Achievement			Physical Achievement		
	Total Funds	Funds Utilized	% of Achievement	Target (in Nos.)	Achievement	% of Achievement
MPLAD	12393138.00	0	0%	21	2	9.52%

The local authority is suggested to submit the pending utilization certificate as soon as possible although the amount has already been spent during the FY-2016-17 and compliance reported.

PARA: 18 MISCELLANEOUS

18.1 - Maintenance of account

The audit observation on maintenance of accounts is as follows.

1) As per Rule 68 of OM Rules, 1953, the cash and account branches of each municipal office shall be kept distinct from each other, and under different officers who, for the purpose of these rules, shall be termed respectively, cashier and accountant, which has been adhered to in this NAC wherein the cash section and accounts section separate persons are engaged.

2) During the year 2016-17 ,it is noticed that cash transaction has been done away with keeping in view of the circular No-25808/dtd25.11.2009

of Govt. Of Odisha, H&UD deptt. in which it is clearly mentioned that any payment beyond Rs. 20000 must be disbursed by account payee cheque, this is praise worthy.

3) The account section has been operated by consolidated personnel, which violates the Govt. Instruction-vide letter No-24970/H, &UD Dtd 07.08.2013 read with letter no-1089/H&UD dtd 17.01.2014

4) Persistence Irregularities Despite issue of repeated suggestion in last and previous audit reports and verbal discussion with the local authority, the following irregularities are continuing till today. Hence sincere steps need to be taken to avoid such irregularities in future

i) Old outstanding advances are running years together without adjustment of the same in shape of cash recoveries of vouchers as the cases may be.

ii) Physical verification of stock & store are not conducted annually twice as required under Rule-347 of OM Rules. Again as per the provision made under SR-37(II) of OTC Vol-I, the physical verification of cash at the end of the each month is required to be conducted by the Head of office and certificate to that effect is required to be recorded in the cash book.

iii) According to rule-6, SR-37(VII) of OTC Vol-I, surprise verification of cash at least once in a month is required to be conducted by the Head of office. But this was not done at anytime during the period under audit which may be done henceforth.

iv) As per rule-85(I) of ORISSA MUNICIPAL RULE-1953, all sum received on account of the MUNICIPAL FUND are required to be deposited in the treasury pass book. But in contravention to the aforesaid provision the NAC is depositing the collections/funds in different bank accounts with the plea to meet the immediate need of the NAC as withdrawal of money from treasury is time consuming.

v) The Legal suits have not been initiated for collection of taxes before time barred period. The audit register may be maintained.

vi) Security Deposits from staff handling cash, stock and stores have not been realized in contravention to RULE-14 OF OM Rule.

vii) No dead stock register has been maintained to watch the stock position of the articles of permanent nature

18.2 - Lack of response/compliance to last and previous Audit Reports-POM-11

The details of compliance submitted to proper quarter for settlement of last and previous audit paras raised in case of LFA audit reports for last five years was asked from the local authority in the proforma given below.

In response to POM the local authority stated that no compliance has been sent during the year 2016-17.

The details of outstanding para of last and previous Audit reports of last years which is waiting for settlement due non submission of compliance report is given below.

Sl No.	Audit Report No. with year of account	Paragraphs pending for settlement relating to misappropriation of cash & loss of stock & store		Paragraphs pending for settlement other than misappropriation and defalcation		Total	
		No of paragraphs	Amount	No of paragraphs	Amount	No of paragraphs	Amount
1	2	3	4	5	6	7	8
1	195879/AR/2016-17-GA NJAM for 2015-16	0	0	9	977164.00	9	977164.00
2	108135/AR/2015-16-GA NJAM for 2014-15	1	900.00	6	26604371.00	7	26605271.00
3	44764/AR/2014-15-GAN JAM for 2012-13 & 2013-14	2	2536.00	10	5726439.00	12	5728975.00
4	2006-07, 07-08, 08-09 & 2011-12	4	19897.00	9	2138780.00	13	2158677.00
5	2009-10 & 10-11	4	7419.00	22	819233.00	26	826652.00

In response to POM p-11 the local authority stated that no paragraph settled & no compliance has been sent during 2016-17. The local authority is suggested to personally look into this matter and submit compliance at the earliest.

18.3 - Non Maintenance of Compliant/grievance register-POM-21

No separate Compliant/grievance register has been maintained by this NAC .The position of Compliant/grievance received and disposed during the year 2016-17 has been sought by Audit through POM Memo No 03 dated 13.10.2017 and the local authority furnished the following information regarding Compliant/grievance position for the year 2016-17 as detailed below.

Particulars based on complaint/grievance register	No. of complaints
Complaints pending for disposal at the beginning of the year	NIL
Complaints received during the year	0
Total:	0
Complaints disposed off during the year	0
Complaints pending for disposal at the end of the year	NIL

Therefore the local Authority is suggested to maintain a Compliant/grievance register henceforth under intimation to Audit.

During Exit Conference the local authority assured to maintain Grievance register hence forth.

18.4 - AG Compliance Reports- POM-11

In response to POM the local authority stated that no AG compliance reports have been received during 2016-17.

18.5 - Non-issue of Miscellaneous Receipts against Cheques/BDs received from different funding agencies.POM-

It is found that BDs/Cheques received are recorded in the BD Register but no receipts are issued against them. If receipts are not issued, the said BDs/Cheque amount may not be accounted for leading to loss to the institution. The local authority is to see to the matter and instruct the cashier to issue receipts against BDs/Cheques received. In response to POM the local authority stated that most of the receipts are through RTGS/PL Account and MRs will be issued against receipt of bank drafts.

18.6 - Death & Birth position

The position of births and deaths of this NAC from 01.04.16 to 31.03.17 is as follows

	Birth	Death	Remarks
No of cases registered	1819	184	
Certificates Issued	1420	98	
Certificates not Issued	399	86	Applicants have not applied for certificates

Further it was seen that in the OAP & ODP acquaintance no death report or death certificate has been attached in case of the death of beneficiary.

The E.O. is advised to ensure the same to check the possibility of payment to ghost beneficiary.

PARA: 19 AUDIT OF LOAN/DEPOSITS/CPF INCLUDING POSITIONS

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19.1 - Non Remittance of Govt Dues -

Rule-4 of Odisha Treasury Code, vol-1 read with rule 4 of OGFR stipulate that all money received or realized on behalf of Govt .should be deposited in full into treasury or with the competent authority within 3 days s of its realization .Retention of Govt money or revenue outside the treasury is irregular and not permissible .Details of un remitted Govt. money is given below.

Govt.dues	Arrear dues as on 31.03.2016	Due for 2016-17	Total dues	Deposited during 2016-17	Balance for deposit as on 31.3.17	Remarks
VAT	284712	705406	990118	808108	182010	
Cess	59085	164543	223628	170584	53044	
Royalty	37855	357719	395574	321214	74360	
IT	95543	334383	429926	447217	-17291	
PT	4075	47900	51975	47625	4350	
Total	481270	1609951	2091221	1794748	296473	

Thus on scrutiny of the records and files of this NAC it is noticed that a sum of Rs.74360.00 towards Royalty, Rs.182010.00 towards VAT, Rs.53044.00 towards labour cess, and Rs.4350.00 towards PT thus in total Rs.313764.00 is remaining outstanding against this NAC for deposit to proper quarters as on 31.03.2017 which is quite irregular. The Executive officer is suggested to remit the same to proper quarters and the reasons of such non remittance of Govt, dues.

In response to POM, the local authority stated that all the collected amount during 2016-17 have been deposited in 2017-18, however the balance,if any, may be deposited in proper head of accounts.

19.2 - Loan Position-

The positions of loan as on 31.03.2017 is furnished below as per the last & previous audit reports as no loan register has been maintained in this NAC.

Details of Govt. Loan outstanding in respect of Hinjilicut NAC for the year 2016-17

Sl.no.	Name of the loan	O.B.	Received	Total	Refunded	C.B.
NSDP Loan	Principal	649387.00		649387.00	0	649387.00
	Interest	1291931.00	106772.00	1398703.00	0	1398703.00
Grand Total		1941318.00	106772.00	2048090.00	0	2048090.00

From this loan statement it was seen that there is a balance of Rs.2048090.00 towards repayment of loans as on 31.3.17. Early steps need be taken for repayment of outstanding loans and compliance reported. The loan ledger could not be made available to audit for verification. The calculation of interest is as per calculations in last audit report @5.5%. The E.O.is advised to maintain the same in Form No-XXVII Rule-70 and regulate the loan account is accordance to rules -149 and 150 of O.M. rules-1953.

In response to POM the local authority stated that no loan has been received or paid during 2016-17. It is instructed to repay the loan amount out of prescribed grant/own fund in order to check the enhancement of liability from year to year.

19.3 - Security Deposit/EMD - POM-

An abstract position of deposits for the year 2016-17 is furnished below. But the year wise break up of outstanding deposits could not be worked out due to non maintenance of register of outstanding deposit in form No-XXI prescribed in Rule-70 and 143 of O.M. Rule-1953.

OB	5752827.81
Receipt	1238632.00
Total	6991459.81
Refund	630835.00

CB	6360624.81
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From the above figure it is noticed that a huge amount of deposit i.e. Rs. 6360624.81 is lying with the closing balance of this NAC as on 31.03.2017, which is a liability to this NAC .

In response the local authority stated that the outstanding deposit ledger will be maintained henceforth. The local authority is suggested to personally look into this matter that the postings of the deposit ledger as well as the outstanding deposit ledger is maintained properly in the prescribed format.

PARA: 20 RESULT OF AUDIT

20.1 - General Remarks-

Maintenance of account of the NAC needs to be improved.

But the NAC has not adopted the computerized accounting systems till date. The internal sources of income is far too low in comparison with the expenditure due to engagement of staff beyond the approved strength and without approval of the Govt. As a result, the Municipality is meeting its day to day expenditure by making diversions from the Govt. Grants which is quite irregular.and Huge Govt Dues or taxes outstanding for remittance to Govt Exchequers as on 31.03.2017.

20.2 - Suggestion

- 1.The head of the office of the ULB suggested to inspect the own office regularly so that the internal control among the staff would be strength.
- 2.The local authority is suggested to review the last and previous audit reports and Inspection Reports so that the drawback in account would be acquired as the AR/IR is the mirror of the account.
3. The local Authority is suggested to give emphasis about enhancement of own revenue by suitable planning .
- 4.The local authority is suggested to adhere the budgetary provision so that financial condition of ULB would be improved.
5. Old outstanding Advances need to be recouped on pilot basis .
- 6.The local authority is suggested to appraise the council to implement the new assessment of holding taxes.
- 7.Local Authority is suggested to chalk out a suitable plan to accelerate the spending efficiency of Grants for the intended purpose by submitting the UC to proper quarter so that further grant from Govt cannot be avoided.
- 8.The local authority is suggested to follow OGFR/DFPR while incurring any expenditure out of Council fund so that Misappropriation would be checked.

20.3 - Recommendation-

- For strengthening of the financial position and enforcing financial discipline of the urban local bodies may follow the suggestions given below.
- 1.) collection of long outstanding taxes and other dues through special drive .
 - 2). Enforcement of provision led U/s 161,162,163 & 201 of the Odisha Municipal Act,
 - 3). Survey of new holdings by collecting datas from different sources like from electric deptt. on new electricity connections within the NAC area,
 - 4.) Assessment of new holdings .

- 5). Revaluation of old assessed cases, if any,
- 6). Utilisation of Grants under Public conveyance(which was remain unutilised and the asset may be created.
- 7.) Maintenance of Asset register and constant monitoring of the assets for generation of own fund.
- 8) Adaption of intra district transfer system among Tax collectors to maintain uniformity in distribution of manpower and to avoid sweet will collection of taxes.
- 9) Grievance redrassal system to be online so that citizen can assess the status of his/her grievance.
- 10) Introduction of Suitable cadre for the post of Executive officer.
- 11) District level Audit monitoring committee need be convened at least once in every month.
- 12) The sanction of grants need be done basing upon the income from own sources.of NAC. so that the local authority of every NAC /Municipality should give emphasis to enhance their own revenue.

Result Of Audit

SI No	Name Of The Paragraph	Amount suggested for recovery(In Rs:)	Amount kept on objection(In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	14.2	0.00	50400.00	0.00	0.00	0.00	
2	14.3	0.00	1219.00	0.00	0.00	0.00	
3	14.4	0.00	324000.00	0.00	0.00	0.00	
4	14.5	0.00	18000.00	0.00	0.00	0.00	
Total		0.00	393619.00	0.00	0.00	0.00	

Audit Certificate

Cetrified that the accounts of Hinjilicut NAC for the financial year 2016-2017 have been covered under audit and found correct subject to the comments / remarks offered in the foregoing paragraphs .

Spot Recovery

SI No	Ref Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	11.4	84/14	2017-12-20	51160	Sri B.N.Mohapatra(B)
2	11.4	DCR P-23	2017-12-04	3140	Sri B.N.Mohapatra(B)
3	11.4	DCR P-23	2017-11-30	10000	Sri B.N.Mohapatra(B)
4	11.4	DCR P-22	2017-11-27	2000	Sri B.N.Mohapatra(B)
5	11.4	DCR P-22	2017-11-13	10000	Sri B.N.Mohapatra(B)
6	11.3	62/14	2017-12-14	875	Sri B.N.Mohapatra(A)
7	11.3	Vr 611	2018-01-01	4500	Sri B.C.Behera, OM
8	11.3	8/17	2018-01-05	900	Sri B.C.Behera, OM
9	11.3	88/14	2017-12-22	1930	Sri Chhabi Narayan Panda,Cashier
10	11.3	87/14	2017-12-22	1000	Sri Chhabi Narayan Panda,Cashier
11	11.3	86/14	2017-12-22	90	Sri Chhabi Narayan Panda,Cashier
12	11.3	85/14	2017-12-22	350	Sri Chhabi Narayan Panda,Cashier
13	11.2	35/14	2017-11-17	650	Sri B.N.Mohapatra(A)
14	11.2	90/14	2017-12-22	1127	Sri Abhiram Sahu.OM
15	11.2	32/14	2017-11-17	40	Sri K C Sabat ,TS
16	11.2	89/14	2017-12-22	205	Sri R.K.Das TS
17	11.2	Vr 611	2018-01-01	5733	Sri B.C.Behera, OM
18	11.1	50/14	2017-11-29	10939	Sri Bhaskar Sahoo,T.S
19	8.3	6/17	2018-01-02	5743	Sri Abhiram Sahu.OM
20	11.5	64/14	2017-12-14	300	Sri Bhaskar Sahoo,T.S
21	11.5	63/14	2017-12-14	1200	Sri B.N.Mohapatra(A)

22	11.5	91/14	2017-12-14	1000	Sri R.K.Das
23	15.2	774	2018-03-15	6615	Sri Sukanta Behera, Contractor
24	15.3	712	2018-02-17	9834	Sri Rohit Kumar Bisoi, Contractor
25	15.4	771	2018-03-15	6493	Sri Damadar Sahu, Contractor
26	15.5	772	2018-03-15	2549	Sri Subash Chandra Sethi, Contractor
27	15.6	773	2018-03-15	6669	Sri Binod Kumar Padhy, Contractor
				Total	145042