

HCL Estb/Dept

OFFICE OF THE
DISTRICT AUDIT OFFICER : LOCAL FUND AUDIT : BOLANGIR.

Memo No. 945 /LFA., Dated, the 14/5/19

Copy of Audit Report No. 404980/AR/2018-19-BOLANGIR on the accounts of PATNAGARH NAC for the year 2017-18 forwarded to the Executive Officer, Patnagarh NAC for favour of information and necessary action . He is requested to send compliance to the Audit Report in triplicate and in broad sheet along with a copy of the resolution of the Governing Body / Managing Committee approving the same within **2 (Two)** months from the date of receipt of the report.

Dist. Audit Officer,
LFA, Bolangir.

Memo No. _____ /LFA., Dated, the _____ /

Copy of Audit Report No. 404980/AR/2018-19-BOLANGIR on the accounts of PATNAGARH NAC for the year 2017-18 along with a copy of the Important Irregularities is forwarded to the Examiner-Cum-Director, Directorate of Local Fund Audit, Odisha, Bhubaneswar for favour of information.

Dist. Audit Officer,
LFA, Bolangir.

Memo No. _____ /LFA., Dated, the _____ /

Copy of Audit Report No. 404980/AR/2018-19-BOLANGIR on the accounts of PATNAGARH NAC for the year 2017-18 forwarded to the Director, H & U.D. Deptt. , Odisha, Bhubaneswar / Collector, Bolangir for favour of information

Dist. Audit Officer,
LFA, Bolangir.

Memo No. _____ /LFA., Dated, the _____ /

Copy of Audit Report No. 404980/AR/2018-19-BOLANGIR on the accounts of PATNAGARH NAC for the year 2017-18 submitted to the Accountant General (Audit) , Odisha, Bhubaneswar for favour of information.

Dist. Audit Officer,
LFA, Bolangir.

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LOCAL FUND AUDIT, BOLANGIR, ODISHA

CATEGORY : N A C, General

Audit Report No : 404980/AR/2018-2019-BOLANGIR

PARA: 1 TITLE SHEET

1	Name of the Institution :	Patnagarh N A C
2	Year of Accounts under Audit :	2017-2018
3	Name of the Local Authority during the year of A/Cs :	SRI KULAMANI KHATUA EXECUTIVE OFFICER PATNAGARH N.A.C. 01.04.2016 TO 31.03.2017
	Name of the Local Authority at the time of Audit :	1.SRI KULAMANI KHATUA EXECUTIVE OFFICER PATNAGARH N.A.C. <u>24.9.2018</u> FROM-01.04.2017 TO 25.09.2017 F.N 2.SRI SUKANTA CHANDRA BEURA,ORS EXECUTIVE OFFICER PATNAGARH N.A.C. <u>2018 FN</u> FROM- 25.09.2017 <u>A.N</u> TO TILL DATE
4	Duration of Audit :	30-08-2018 To 03-11-2018 (Mandays Consumed :- 20)
5	Name of the Auditors :	DILLIP KUMAR BAGH - Lead Auditor(30-08-2018 to 03-11-2018)
6	Name of the Reviewing Officer :	SHYAMA SUNDAR BHOI(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	28-02-2019
8	Entry Conference Date :	27-08-2018
9	Exit Conference Date :	26-02-2019
10	Name of the District Audit Officer :	DILLIP KUMAR CHHATRIA
11	Date of approval of report by District Audit Officer :	16-03-2019

PARA: 2 PHYSICAL VERIFICATION

Sino	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	Daily market receipt books	30.08.2018 Before Transaction	28	28	SR Page -16	Nil
2	Weekly market receipt books Rs 3.00	30.08.2018 Before Transaction	91	91	SR Page -52	Nil
3	Cattle market receipt books	30.08.2018 Before Transaction	105	105	SR Page -33	Nil
4	Park receipt books Rs 3.00	30.08.2018 Before Transaction	29	29	SR Page -74	Nil
5	CMET Receipt books Rs 2	30.08.2018 Before Transaction	124	124	SR Page -26	Nil
6	CMET Tax Receipt Books Rs 1.00	30.08.2018 Before Transaction	129	129	SR Page -06	Nil
7	Guda Tax Receipt Books	30.08.2018 Before Transaction	7	7	SR Page -19	Nil
8	Holding Tax Receipt books	30.08.2018 Before Transaction	67	67	SR Page -05	Nil
9	ServicePostage Stamps	30.08.2018 Before Transaction	272.00	272.00	SR Page -86	Nil
10	Miscellaneous Receipt Books	30.08.2018 Before Transaction	27 nos	27 nos	SR Page -36	Nil
11	Measurement Books	30.08.2018 Before Transaction	05 Nos	05 nos	SR Page -41	Nil
12	Cash in hand	30.08.2018 Before Transaction	6635.00	6635.00	Subsidiary Cash book P-50	Nil
13	Weekly market receipt books Rs 5.00	30.08.2018 Before Transaction	27	27	SR Page -62	Nil

Comments

As per Rule-20(A) OLFA rules 1951 physical verification was conducted on 30.08.2018 before transaction and result there of has been furnished above.

PARA: 3 LIST OF VERIFIED RECORDS

A : List Of Verified Records/Register

Sino	List Records/Register	Rules	Form No
1	Measurement Book	Rule 365	Form W-VIII
2	Stock & Store Register of Municipality	Rule 346	Form W-VII
3	Miscellaneous Supply Bill	Rule 343	Form W-V
4	Register of Works	Rule 345	Form W-VI
5	Contract Certificate	Rule 343	Form W-IV
6	Contract Agreement Form	Rule 341	Form W-III
7	Tax collector's Ledger	Rule 198	Form M
8	Stock account of Receipt Forms	Rule 196	Form L
9	Tax collector's daily collection register	Rule 192	Form K
10	Tax Receipt Form	Rule 188	Form I
11	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
12	Stock Register of Stationery	Rule 172	Form No. XLIV
13	Stamp Account	Rule 172	Form No. XLIV
14	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
15	Daily Collection Register	Rule 171	Form No. XL
16	Miscellaneous Receipts	Rule 157	Form No. XXXIV
17	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
18	Stock account of License Number Plates	Rule 155	Form No. XXXII
19	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
20	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
21	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
22	Cash Book of the municipality	Rule 125	Form No. XIV
23	Periodical Increment Certificate	Rule 99	Form No. XI
24	Absentee Statement	Rule 97	Form No. X
25	Salary Bills	Rule 97	Form No. IX
26	Order Book	Rule 96	Form No. VIII
27	Register of Bills	Rule 96	Form No. VII
28	Challan	Rule 87	Form No. VI
29	Subsidiary Cash Book	Rule 128 A	Form No. V-A
30	Cashier's Cash Book	Rule 81	Form No. V
31	Schedule for the Budget Estimate	Rule 77	Form No. III
32	Abstract of the Budget Estimate	Rule 74	Form No. I-A
33	Budget Estimate	Rule 74	Form No. I

B : List of Records/Registers not Maintained

Sino	List Records/Register	Rules	Form No
1	Nominal Muster Roll (NMR)	Rule 340	Form W-II
2	Register of Estimates & Allotments	Rule 332	Form W-I
3	Register of Distraint property & sales	Rule 204	Form S
4	Warrant register	Rule 202	Form R
5	Form of inventory & Notice	Rule 203	Form Q
6	Distraint Warrant Register	Rule 202	Form P
7	Progress statement of collection of taxes	Rule 200	Form N
8	Register of writes off of demands	Rule 190	Form J
9	Arrear Demand Register	Rule 187	Form H
10	Mutation Register	Rule 184	Form G
11	Register of Petitions	Rule 183	Form F
12	Form of appeal petition	Rule 183	Form E
13	Demand and Collection Register	Rule 178	Form B
14	Assessment List	Rule 177	Form A

15	Register of Interest Bearing Securities	Rule 147	Form No. XLI
16	Arrear List	Rule 170	Form No. XXXIX
17	Ledger of Lessees	Rule 170	Form No. XXXVIII
18	Jamabandi Register	Rule 170	Form No. XXXVII
19	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
20	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
21	Loan Register	Rule 149	Form No. XXVII
22	Register of Investments	Rule 148	Form No. XXVI
23	Establishment Audit Register	Rule 146	Form No. XXV
24	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
25	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
26	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
27	Register of outstanding deposits	Rule 143	Form No. XXI
28	Deposit Ledger	Rule 142	Form No. XX
29	Register of Outstanding Advances	Rule 140	Form No. XIX
30	Advance Ledger	Rule 136	Form No. XVIII
31	Register of adjustments	Rule 132	Form No. XVII
32	Abstract Register of Expenditure	Rule 129	Form No. XVI
33	Abstract Register of Receipts	Rule 129	Form No. XV

C : List of Records/Registers not Produced to Audit

Sino	List Records/Register	Rules	Form No
1	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
2	Register of Grants	Rule 80	Form No. XLII
3	Register of Lands	Rule 160	Form No. XXXV
4	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
5	Permanent Advance Account	Rule 108	Form No. XII
6	Subsidiary account of special taxes	Rule 79	Form No.-IV

D : List of Records/Registers not Required

Sino	List Records/Register	Rules	Form No
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Comments

PARA 3.1. Non-Maintenance of Prescribed documents, Registers

In spite of repeated objections and suggestion imparted in last and previous audit reports the following irregularities in maintenance of records and registers are found still persisting. No sincere steps appear to have been taken to maintain the same. The Executive Officer is therefore once again impressed upon to look into the matter personally and to ensure early maintenance of following registers and records in order to have a better shape of accounts in future.

i) Register of Outstanding Advances

ii) Deposit Ledger

iii) Register of un-disbursed Pay & Allowances

iv) Assets Register.

v) Surcharge Register & Audit check register.

Apart from the above following irregularities of activities in preparation of accounts and registers were noticed. 1) Expenditure on office establishment and general administration was not restricted to 5% of the income of the municipality as required under Rule 174 of OM Rule-1953. 2) Half yearly Physical verification of Stock & Stores have not been conducted as required under Rule 346 of OM Rules 1953, which should be conducted at a regular intervals of 6 months. 3) D C B Register of taxes both arrear & Current have not been maintained properly since long. 4) Reconciliation of accounts figures with collection figures of D C B was not done as required under Rules 199 to 201 of OM Rules 1953. 5) Demand List of Licence fees as required under section 290 of the 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. 7) Annual accounts of receipts & expenditure as required under Rule 144 & 145 of OM Rule has not been maintained. In response to Audit objection memo issued on the above score the

Executive Officer replied that steps are being taken to follow the audit instructions which is felt traditional in view of the last and past Audit Reports. All the aforementioned aspects of Audit observation may be followed & ensured at the earliest under intimation to the next Audit.

PARA 3.2 Nonmaintenance of DOUBLE ENTRY ACCRUAL BASED ACCOUNTING SYSTEM (DEABAS) as per Odisha Municipal (Accounts) Rules-2012 (OMAR) in this NAC w.e.f. 1st. October 2013

As per the directive of Govt. in H&UD Deptt (O) issued vide Letter No-24970 /HUD,BBSR Dtd 7.8.2013 Double entry accrual based accounting system (DEABAS) as per Odisha Municipal (Accounts) Rules 2012 shall be maintain in this NAC with effect from October 2013. But on verification of accounts it was found that DEABAS has not been maintained in full fledged manner as on 31.3.2015. As such the audit work was conducted on Manual cash books. Due to non-maintenance of the DEABAS as per Odisha Municipal Rule-2012 the very purpose of the above directive of the Govt. has been defeated. Hence the Executive Officer is advised to ensure early maintenance of the above accounting system prescribed by the Govt and produce before next audit.

On issue of objection memo the local authority replied that noted for future guidance.

PARA: 4 FINANCIAL POSITION

Patnagarh N A C - 2017-2018

Sino	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	01-04-2017	6746762 8.06	81385601. 05	14885322 9.11	87151365. 05	31-03-2018	6170186 4.06	31-03-2018	6170186 4.06	0.00	
	GRAND TOTAL		6746762 8.06	81385601. 05	14885322 9.11	87151365. 05		6170186 4.06		6170186 4.06	0.00	

Comments

Annual Budget

As per rule 76 of Odisha municipality rule 1953 the annual budget should be placed before council on or before 1st February and the pass copy of budget need be sent to Government through the District Magistrate. Accordingly the annual budget estimate for the financial year 2017-18 has been approved by the council vide its resolution of No-20/19.04.2017 and transmitted to Govt.in H & UD Department through the District Collector, Bolangir. The budget estimate approved by the H & UD Department vide letter no 19473 dt.24.08.17 and communicated to the executive officer Patnagarh NAC which produced before Audit for necessary record and reference. The details of budgetary provision in respect of receipt, & expenditure has been furnished below along with figures of actual receipt, expenditure for a comparative study.

Sl.No.	Head of Account	As per Budget Estimate	As per actual	Difference
A	Receipt			
1	Rate of Taxes	2421600	1433165.05	988434.95
2	Licences and other fees	513000	1034893	-521893
3	Receipt under special Act	1150	0	1150
4	Revenue derived from Municipal Properties	3228000	2528017	699983
5	Govt.Grants	85646000	55608200	30037800
6	Misc	7117000	6339800	777200
7	Extra ordinary debt	5783000	7019563	-1236563
8	Other than Grant	8666600	7421963	1244637
	Total	113376350	81385601.05	31990748.95
B	Expenditure			
1	General Establishment	4766000	8815026	-4049026
2	Collection Establishment	888000	6961420	-6073420
3	Public Sefty (Light Esst)	7472500	3269312	4203188
4	Public Helth (Sanitation Esst)	3559000	3442416	116584

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5	Public works	74046088	52230973	21815115
6	Misc	4250000	8470662.05	4220662.05
7	Extra ordinary debt	5760000	3961556	1798444
	Total	100741588	87151365.05	13590222.95

Budget and Comparative Comments

It would be revealed from the above comparative statements that the achievement of receipts and collections of funds is about Rs 81385601.05 then Rs.113376350.00 as per budget estimate which is 71.78% less than the provisions kept in annual budget estimate for the year 2017-2018. Similarly the total expenditure incurred on different heads during the year under audit Rs.87151365.05 then Rs.100741588.00 which is 86 % less than the figures determined in annual budget estimate. As such the budget estimate of the municipality cannot be said a realistic one. In keen sense of observations of the aforesaid discrepancies occurred between the figures of Annual accounts & Budget Estimate of the Municipality. It would be revealed that the amounting figures of the budget estimates was actually not determined basing upon the actual amounts of receipts and expenditure incorporated in the Annual accounts of preceding year as well as current year up to months of September-2014. In query it was intimated that the annual accounts of the Municipality was not prepared properly due to lack of maintenance of cash book in time. It is worthwhile to mention here that such un-realistic budget estimate can't help to fulfill the coverage of financial policies adopted by the local authority during a financial year. Since budget is considered as an instrument, which insists the authorities of an organization for management of financial administrations elaborately, sincere efforts should therefore be taken by the Municipality Authority to prepare a more realistic and streamlined budget. Hence the local authority is advised to take the suitable steps henceforth to prepare more realistic and streamlined budget for the coming years in order to achieve better result from the financial strategies adopted therein.

Maintenance of Annual Accounts

The Annual Accounts of receipts and expenditure as require under Rule-144 & 145 of OM Rules was not maintained properly for the year 2017-18. The maintenance of same need be ensured henceforth & compliance reported to audit.

Sinking fund:-

As per sec-III of OM Act 1950 Rule 20(d) of OLFA Rule -1951 provision should be made for sinking fund ,where loan has been incurred by the ULB to clear off the liability. But no such fund has been created by the Municipality during the year under audit.

Non-maintenance of Flexi Account in Bank for parking of Funds of centrally sponsored scheme.

During the period under audit it was observed that a total sum of Rs.24463981.00 as detailed below has been kept in Saving bank account deposit as on 31.03.2018. towards unutilized funds of centrally sponsored schemes implemented in the municipality.

Sl. Name of Scheme Funds detained

1. BRGF Fund Rs .4997268.00 of A/C No.31839825313, SBI,Patnagarh
2. BRGF Fund Rs .204039.00 of A/C No.12008127337,UGB,Patnagarh
3. 13 Th FC / 14 TF FC Fund Rs .3833354.00 A/C No.31264703831, SBI,Patnagarh
4. 12Th FC Fund Rs .2722.00 of A/C No.12008132816,UGB,Patnagarh
- 5 Swcha Bharat Mission Fund Rs .5755037.00 of A/C No.14813300001458, DCB,Patnagarh
6. MPLAD Fund Rs .727732.00 of A/C No.12008132180,UGB,Patnagarh

Total .Rs.15520152.00

The above amounts are kept in different nationalized banks in shape of deposits in S. B. accounts instead of keeping them in flexi accounts. In this context it may be pointed out that the Govt. in Finance Department (O) has instructed vide their Letter No. 35425/ F. Dt.12.10.2012 to keep the funds of centrally sponsored plan schemes in Flexi Accounts so that higher interest accruals from such funds can be achieved to expand the coverage of the scheme. without affecting fund flow for scheme. On issue of audit objection memo the EO replied that noted for future guidance. Hence attention of the local Authority is invited in this regard and suggested to do the needful as per the above instruction in order to achieve high return towards interest money in order to expand the coverage of the scheme without affecting fund flow for scheme and fact reported to audit.

On issue of objection memo about Non-maintenance of Flexi Account the local authority replied that noted for future guidance.

Operation of multiple bank accounts for individual scheme funds:-

As per Govt. guide line all money received under different program and activities shall forth with be deposited with the interest bearing saving bank accounts which are approved by the Govt. and the interest occurred is to be treated as additional resources of the scheme for utilization of the concern schemes. On checking of the bank pass book w. r. t accountant cash book the following irregularities were noticed on operation of bank account.

1- 49 saving bank accounts were operated by the municipality at different branches of the same /different banks.

2- Multiple bank accounts were opened under one scheme funds in excess of single account in the scheme namely CRF, BRGF., IHSDP, OAP and MV Tax.

Statement Showing the details Receipts & Expenditure of Patnagarh NAC for the years 2016-17 & 17-18

Statement Showing the details Receipts of Patnagarh NAC for the years 2016-17 & 17-18

Sl.No.	Head of receipts	Receipt during 2016-17	Receipt during 2017-18	Remarks
1	2	3	4	5
I.	Rate of Taxes			
1	Holding Tax	294550.12	441110.15	
2	Lighting Tax	294550.06	430038.37	
3	Water Tax	371408.85	562016.53	
4	Tax on cart & carriage	838.04	0.00	
	Total:-	961347.07	1433165.05	
II.	Licenses & other fees			
1	Licenses fees U/S 290	4440.00	27940.00	
2	Parking fees	26550.00	22216.00	
3	Building plan Approval	423613.00	719043.00	
4	Marriage certificate fees	8000.00	4000.00	
5	Birth & Death Certificate	38640.00	42540.00	
6	Cycle Stand	0.00	66505.00	
7	User fees	26370.58	27540.00	
8	Taxi Stand/bus stand	40000.00	0.00	
9	Park fees	9900.00	22405.00	
10	Bus Stand	55500.00	50000.00	
11	Water connection fees	14220.00	25200.00	
12	Cycle token	14000.00	0.00	
13	Renewal of Tower/ installation	11700.00	27504.00	
	Total:-	672933.58	1034893.00	
III	Revenue derived Municipal properties			
1	RENT FROM LAND & BUILDING	1207553.00	1415669.00	
2	Daily Market	44856.00	67733.00	
3	Cattle market	320132.00	388945.00	
4	WATER TANKER FEES	24000.00	69100.00	
5	LEASE OF TANK	446161.00	45000.00	
6	SOUCHALAYA FEES	48000.00	0.00	
7	RENT OF KALYAN MANDAP	24250.00	58800.00	
8	Rent on Stall	0.00	0.00	
9	Hire charges of Tractor	200000.00	360000.00	
10	WEEKLY MARKET FEES	74815.00	120906.00	

11	RTI Fees	350.00	64.00	
12	NOC	0.00	1800.00	
13	Total:-	2390117.00	2528017.00	
IV	Grants Contribution			
1	Octroi Compensasion Grant /Entry Tax	15813000.00	17201000.00	
2	WODC Grant	800000.00	2000000.00	
3	14TH TFC Grants	16219000.00	9041000.00	
4	MLALAD Grant	1640000.00	3190000.00	
5	MPLAD Grant	400000.00	200000.00	
6	Maintenance of road & bridge grant	2408000.00	2408000.00	
7	AWC Building	0.00	1400000.00	
8	Road Development Grant	2299000.00	0.00	
9	Arr.pension basic service	0.00	7868000.00	
10	Devolution Funds Grant	5808000.00	5755000.00	
11	NRB Grant (TFC)	316000.00	316000.00	
12	M.V. Tax	1553000.00	1692000.00	
13	Special Problem Fund	0.00	0.00	
14	Creation of Capital Asst.	960000.00	949000.00	
15	Maint.of Capital Asset.	457000.00	453000.00	
16	Basic service	3374000.00	0.00	
17	Civil Supply of grant	0.00	0.00	
18	OULM /NULM	0.00	502000.00	
20	Swachh Bharat Mission	1740000.00	2582350.00	
20	Honorarium/TA of elected representative	57633.00	50850.00	
	Total:-	53844633.00	55608200.00	
B.	OTHER THAN GRANT			
1	OAP/ODP/NOAP	9370963.00	6981963.00	
2	PENSION	4381000.00	0.00	
3	NFBS	420000.00	140000.00	
4	HARISCHANDRA SAHAYATA	350000.00	300000.00	
	TOTAL:-	14521963.00	7421963.00	
VI.	Miscellaneous			
1	Royalty	313615.00	930275.00	
2	Cost of EGB	45520.00	67887.00	
5	Bank Interest	2445829.00	1848747.00	
3	APS	0.00	254312.00	
15	Guda Tax	71335.00	86600.00	
16	Cess Pool	49000.00	74500.00	
17	Contractor license	0.00	21000.00	
18	PDS	825724.00	1032364.00	
9	Cost of Tender Paper	179515.00	1999065.00	
10	Miscellaneous	6000.00	25050.00	
	Total:-	3936538.00	6339800.00	

VII.	Extra Ordinary Debt			
1	SD/EMD	770768.00	1919231.00	
2	Sales Tax (VAT)	538251.00	212327.00	
3	Income Tax /TDS	426458.00	410521.00	
4	Advance Adjusted	1276320.00	733000.00	
5	P.T.	56400.00	56400.00	
6	CPF of Staff	906000.00	1080000.00	
7	LIC of Staff	597636.00	630432.00	
8	Loan of Staff	9600.00	9600.00	
9	Audit Recovery	44631.00	4066.00	
10	Refund of OAP	403000.00	717600.00	
11	Pension contribution	219420.00	465384.00	
12	Labour Cess	144079.00	326965.00	
13	Work contingency	3520.00	454037.00	
	Total:-	5396083.00	7019563.00	
	Grant Total:-	81723614.65	81385601.05	

Statement Showing the details of Expenditure of Patnagarh NAC for the years 2016-17 & 17-18

Sl.No.	Head of Expenditures	Expenditure during 2016-17	Expenditure during 2017-18	Remarks
1	3	3	4	5
I.	Office Establishment			
1	Pay & DA of office staff	2085790.00	2114280.00	
2	Arrear Pay	9397518.00	2614816.00	
3	Gratuity	398442.00	431253.00	
4	Pension	1649429.00	2685461.00	
5	TA	75662.00	151996.00	
6	Pay & Allowance of contractals	458080.00	498070.00	
7	Pay allowance of CO	114000.00	181000.00	
8	Allowance to CM & VCM	94500.00	42150.00	
9	Out sourcing DEO of staff	96000.00	96000.00	
	Total:-	14369421.00	8815026.00	
II.	Collection Establishment			
1	Pay & DA of collection Estt.	894288.00	1012650.00	
2	Pay & DA of Octroi Estt.	5180520.00	5263790.00	
3	DLR payment	183900.00	137960.00	
4	Work charged payment	547020.00	547020.00	
	Total:-	6805728.00	6961420.00	
III.	Light Establishment			
1	Pay & DA of Light staff	301008.00	317029.00	
2	Purchase of elctrical material	5739989.00	2952283.00	
	Total:-	6040997.00	3269312.00	

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IV.	PH & Sanitation			
1	Pay & DA of Sanitation staff	2009856.00	2167498.00	
2	Sanitary materials	2835684.00	984095.00	
3	Drinage	191190.00	0.00	
4	Sanitation	149425.00	290823.00	
	Total:-	5186155.00	3442416.00	
V.	Public Works			
1	Remuneration to Engineering staff	190520.00	111600.00	
2	WODC	2968076.00	1318775.00	
3	MLALAD	2393954.00	3258465.00	
4	MPLAD	1140137.00	0.00	
5	Road maintenance	185720.00	0.00	
6	Road development	850963.00	3042324.00	
7	C.C. road	2152066.00	0.00	
8	Dev.Fund	0.00	1447012.00	
9	Repair of Bathing Ghat	55520.00	0.00	
10	NRB	156298.00	750138.00	
11	BRGF	0.00	0.00	
12	Bounary wall for Govt. land	68931.00	0.00	
13	14th FC	932840.00	16220007.00	
14	4th SFC & Besic Service	0.00	4036482.00	
15	Meintanance of Capital Assests	556321.00	200534.00	
16	IHSDP	590516.00	909037.00	
17	Maintanance of road & Bridge	0.00	752305.00	
18	Octroi Grant	345275.00	524744.00	
19	MVT	366497.00	2190902.00	
20	Kalyan Mandap	97123.00	0.00	
21	OWN sources	5155622.00	2386074.00	
22	OAP/ODP/NOAP/MBPY	7447700.00	6850000.00	
23	NFBS	420000.00	200000.00	
24	Harischandra Sahayata	285000.00	336000.00	
25	Souchha Bharat	2839690.00	1261820.00	
26	Performance based grants	2124922.00	6204610.00	
27	NULM	593538.00	230144.00	
28	IHHL	2206700.00	0.00	
	Total:-	34123929.00	52230973.00	
VI.	Miscellaneous			
1	Fair & Festival	5095.00	24210.00	
2	Telephone bill	18352.00	25152.00	
3	Electric bill	2990339.00	2100000.00	
4	Advertisement	352851.00	365230.00	
5	Cycle & Rickshaw token	15000.00	0.00	
6	Road Tax	0.00	16916.00	

7	Observation of LSG Day	219020.00	139668.00	
8	Hire charges of vehicle	226020.00	367750.00	
9	Jalla Chhtra	133496.00	127272.00	
10	Legal charges	38500.00	0.00	
11	Bank charges	2966.86	3574.05	
12	Diesel cost	333603.00	462584.00	
13	APS	0.00	174318.00	
14	Tractor repair	454360.00	42713.00	
15	Donation	47000.00	0.00	
16	PDS	381380.00	882449.00	
17	Contingency	534269.00	775979.00	
18	Miscellaneous	497168.79	0.00	
19	PHD Division BLGR(water supply)	1500000.00	400000.00	
20	NFSA	20800.00	13000.00	
21	New trolley	400000.00	0.00	
22	IT return charges	7330.00	0.00	
23	MAP	5000.00	0.00	
24	Festival advance to staffs	385000.00	556000.00	
25	Water tanker	145000.00	0.00	
26	Pension contrabution	0.00	358762.00	
27	Personl Loan refund	0.00	10400.00	
28	PT	0.00	41750.00	
29	CPF	0.00	1009000.00	
30	LIC	0.00	256264.00	
31	Stationary & Printing	0.00	150437.00	
32	Sports & Culture	0.00	167234.00	
	Total:-	8712550.65	8470662.05	
VII.	Extra Ordinary Debt			
1	Income Tax/TDS	363811.00	435054.00	
2	Royalty	246860.00	392941.00	
3	VAT	401648.00	328023.00	
4	Cess	109930.00	161368.00	
5	Refund of SD/EMD	1113031.00	1181170.00	
6	Advance paid	548000.00	1463000.00	
	Total:-	2783280.00	3961556.00	
	Grand Total:-	78022060.65	87151365.05	

Production of Assets and Liabilities

Liabilities	Value	Assets	Value
Unspent balances of Grants	55487690.57	Cash in hand/in Treasury/in Bank Accounts/in Post Office	0

Loans refundable	0	Investments	0
Unremitted Govt. dues (VAT, Cess, Royalty, I.T. etc.)	1028481	Advances recoverable	4659822
Refundable deposits (SD/EMD)	8336873	Outstanding Taxes, rents and rates etc. recoverable	381971.12
Unpaid Salary & Wages	1125670	Loans recoverable	0
Unpaid Bills	0	Others (Name of the liquid Assets to be specified)	
Contributions payable	0	CB of Accountant Case book as on 31.03.2018	61701864.06
Others (Name of the liquid	0		
liability to be specified)			
Total:	65978714.57	Total:	66743657.18
Asset over Liability:	764942.61	Liability over Asset:	0
Grand Total:	66743657.18	Grand Total:	66743657.18

It would be seen from above position of Assets and Liabilities that the assets figure is more than liabilities figure of the NAC and surplus assets is to the tune of Rs.764942.61 as on 31.03.2018, from which it is cleared that the financial position of the NAC is very sound. However, it is suggested to the NAC authorities to increase the own source of income for the interest of the NAC.

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

Patnagarh N A C - 2017-2018

Slno	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	ALL BANKS	00	01-03-2018	61909968.35	31-03-2018	61701864.06	208104.29	Details of Bank position of pass book in the accountant Cash book has not mentioned.
	GRAND TOTAL			61909968.35		61701864.06	208104.29	

Reconciliation

Reconciliation

Non working out of Bank Reconciliation of un-classified amount

In vide Finance Dept. Letter No- 690/XIV-AUD-1/2003 dated 21.01.2009 and Letter. No. 15847/F, date. 27.04.2013, it has categorically been instructed to all the auditee institutions to work out the reconciliation statement against the difference figure between bank balance & that of Cash book balance in every month, which should have been produced to audit for necessary verification. But the said instruction has been ignored by the municipality authority. For such practice, misutilisation or misappropriation of Govt. as well as municipality fund cannot be over ruled. But till the close of Audit the reconciliation statement could not be produced to Audit. However the local authority is impressed upon to reconcile the differential amount between the pass book balance and cash book balance and compliance be reported. While making reconciliation of bank pass book account taking total bank figure of Accountant Cash Book for the year 2017-2018, it was noticed that an amount of **Rs.2,08,104.29** was remained un reconciled due to want of records. Once again requested to the local authority to reconciled the difference amount and compliance be reported to next audit till than **Rs.2,08,104.29** is kept under objection.

Sl.No	Name of the Bank	Name of A/C	A/C No	C.B. as on Pass Book	CB as per Cash Book	Difference
1	S.B.I. , Patnagarh	CRF	11263176847	443199.00	Not Mentioned in Accountant Cash book	
2	S.B.I. , Patnagarh	EIEUS	11263176814	11378.00	Not Mentioned in Accountant Cash book	
3	S.B.I. , Patnagarh	Road Dev.	30675046647	149065.00	Not Mentioned in Accountant Cash book	
4	S.B.I. , Patnagarh	Non-LFS Pension	11263177670	985.76	Not Mentioned in Accountant Cash book	
5	S.B.I. , Patnagarh	M.L.A. LAD	11263176803	937702.00	Not Mentioned in Accountant Cash book	
6	S.B.I. , Patnagarh	BRGF	31839825313	4997268.00	Not Mentioned in Accountant Cash book	
7	S.B.I. , Patnagarh	LFS Pension	30716836494	2390.00	Not Mentioned in Accountant Cash book	
8	S.B.I. , Patnagarh	S/R Account	11263176825	1006035.00	Not Mentioned in Accountant Cash book	
9	S.B.I. , Patnagarh	13th F.C.& 14th F/C	31264703831	3833354.00	Not Mentioned in Accountant Cash book	
10	S.B.I. , Patnagarh	OAP	11263178539	3180782.76	Not Mentioned in	

					Accountant Cash book	
11	S.B.I Bazar Branch	Octroi Compensatiron (New A/C)	34047990818	1698.30	Not Mentioned in Accountant Cash book	
12	S.B.I Bazar Branch	M.V Tax	35937953788	1092461.50	Not Mentioned in Accountant Cash book	
13	S.B.I Bazar Branch	Swachh Bharat Mission (SBM)	35974439520	0.00	Not Mentioned in Accountant Cash book	
14	SBI Current Account	Current Account	11263175334	240280.00	Not Mentioned in Accountant Cash book	
15	U.G. Bank , Patnagarh	SWM State Plan	84002407214	2038950.00	Not Mentioned in Accountant Cash book	
16	U.G. Bank , Patnagarh	CRF	12008125730	492224.00	Not Mentioned in Accountant Cash book	
17	U.G. Bank , Patnagarh	CRF	12008132282	15033.00	Not Mentioned in Accountant Cash book	
18	U.G. Bank , Patnagarh	12th F.C.	12008132816	2722.00	Not Mentioned in Accountant Cash book	
19	U.G. Bank , Patnagarh	EFC	12008132351	40576.00	Not Mentioned in Accountant Cash book	
20	U.G. Bank , Patnagarh	Souchalaya	12008132486	547251.00	Not Mentioned in Accountant Cash book	
21	U.G. Bank , Patnagarh	M.P. LAD	12008132180	727732.00	Not Mentioned in Accountant Cash book	
22	U.G. Bank , Patnagarh	W.O.D.C.	12008132408	3185531.00	Not Mentioned in Accountant Cash book	
23	U.G. Bank , Patnagarh	BRGF	12008127737	204039.00	Not Mentioned in Accountant Cash book	
24	U.G. Bank , Patnagarh	SD Account	12008132827	907529.00	Not Mentioned in Accountant Cash book	
25	U.G. Bank , Patnagarh	Own Source	12008132362	0.00	Not Mentioned in Accountant Cash book	
26	U.G. Bank , Patnagarh	Protection of Water Bodies	84003229920	186894.00	Not Mentioned in Accountant Cash book	
27	U.G. Bank , Patnagarh	Boundary Wall	84003857693	716155.00	Not Mentioned in Accountant Cash book	
28	U.G. Bank , Patnagarh	Non-Residential Buliding	84003876740	859807.00	Not Mentioned in Accountant Cash book	
29	U.G. Bank , Patnagarh	Road & Bridges (Normal)	84004104137	3001716.00	Not Mentioned in Accountant Cash book	
30	U.G. Bank , Patnagarh	Park Greenery Aforestation	84004474642	39424.00	Not Mentioned in Accountant Cash book	
31	U.G. Bank , Patnagarh	Rent & Stal	84004686704	3856.00	Not Mentioned in Accountant Cash book	
32	U.G. Bank , Patnagarh	IHSDP	84005777678	290249.00	Not Mentioned in Accountant Cash	

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33	U.G. Bank , Patnagarh	Const. of C.C. Road with Drain	84007719603	755971.00	book Not Mentioned in Accountant Cash book	
34	U.G. Bank , Patnagarh	HSY	84032826773	234199.00	Not Mentioned in Accountant Cash book	
35	Bank of Baroda	Double Entry Account System	35940100006492	7478.00	Not Mentioned in Accountant Cash book	
36	Bank of Baroda	PDS	35940100006474	198304.50	Not Mentioned in Accountant Cash book	
37	Bank of Baroda	IHSDP	35940100006961	1867.00	Not Mentioned in Accountant Cash book	
38	Bank of Baroda	T.A.D.A of Elected Representatives	35940100009691	59760.00	Not Mentioned in Accountant Cash book	
39	Panjab National Bank	Electrical Account	7415000100003425	60079.49	Not Mentioned in Accountant Cash book	
40	Panjab National Bank	Devolution of Fund	7415000100016894	1384934.59	Not Mentioned in Accountant Cash book	
41	Panjab National Bank	OULM	7415000100020426	0.00	Not Mentioned in Accountant Cash book	
42	Panjab National Bank	NULM	7415000100031060	128881.00	Not Mentioned in Accountant Cash book	
43	DCB Bank,Patnagarh	IHSDP Account	14811100000453	8465837.00	Not Mentioned in Accountant Cash book	
44	DCB Bank,Patnagarh	M.V Tax Account	14813300001342	7530.00	Not Mentioned in Accountant Cash book	
45	DCB Bank,Patnagarh	Swachha Bharat Mission (SBM)	14813300001458	5755037.00	Not Mentioned in Accountant Cash book	
46	Andhra Bank Patnagarh	Performance Based Incentive Gran	239910100010077	3110.00	Not Mentioned in Accountant Cash book	
47	Axis Bank,Patnagarh	O.A.P Account	916010009191120	1412168.00	Not Mentioned in Accountant Cash book	
48	Axis Bank, Patnagarh	Maintenance of Capital Asset	916010064700727	644504.00	Not Mentioned in Accountant Cash book	
49	Axis Bank, Patnagarh	Creation of Capital Asset	916010065571209	1227204.00	Not Mentioned in Accountant Cash book	
50	Axis Bank, Patnagarh	NFBS	917010063433935	140081.00	Not Mentioned in Accountant Cash book	
51	Axis Bank, Patnagarh	Municipal Fund	917010040822574	325868.32	Not Mentioned in Accountant Cash book	
52	P.L.Account	Sub-Treasury Patnagarh		11940867.13	Not Mentioned in Accountant Cash book	
			TOTAL	61909968.35	61701864.06 (Mentioned in Accountant Cash book)	208104.29

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PARA: 6 STOCK POSITION

Patnagarh N A C - 2017-2018

Sino	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	AAY RICE	125.03	1532.24	1411.22	246.05	246.05	Stock register Page-12
2	PHH RICE	525.18	5582.56	5265.41	842.33	845.33	Stock register Page-32
3	PHH WHEAT	52.77	474.10	526.87	0.00	0	Stock register Page-57
4	Kerosine Oil	0	30095	23546	6549.00	6549	Stock register Page-05

Comments

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 proper 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 and shortage and damages as well as un serviceable stores be reported to the competent authority to write off the loss.

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.

Position of Major Stock items :-

The details stock position of furniture as on 31.3.2018 of Patnagarh NAC are furnished below.

Sl.No.	Goods	O.B. as on dt.01.04.2017	Purchased by dt.31.03.2018	Total as on dt.31.03.2018	Remarks
1	Steel Almirah	25 nos	07 nos	32 nos	
2	Computer Chair	Nil	04 nos	4 nos	
3	Executive VIP Chair	Nil	03 nos	3 nos	
4	Capsule Chair	Nil	07 nos	7 nos	
5	Nilkamal Chair	Nil	15 nos	15 nos	
6	Office Table	14 nos	02 nos	16 nos	
7	Almirah 10 Locker Keys	Nil	01 nos	1 nos	
8	Computer	12 nos	01 nos	13 nos	Govt. Supply 1 no.
9	Laptop	1 nos	1 nos	2 nos	

LOSS OF PDS STOCK

On checking the Accountant cash book w.e.r to PDS DCR and PDS stock register it was found that a total sum of 7303.50 Quintal of PHH Rice, AAY Rice and PHH Wheat have shown sold during the year 2017-18 in the stock register but value of 6527.27 Qtls. have taken to Accountant cash book towards sale of 6527.27 Quintals of PDS PHH Rice, AAY Rice and PHH Wheat leaving balance of 676.23 Quintals.

Item	Qtl. Shown sell in the stock register	Amount taken to accountant cash book for Qtls of	Difference (Qtls.)
PHH Rice	5265.41	4745.29	520.12
AAY Rice	1411.22	1293.23	117.99

PHH Wheat	526.87	488.75	38.12
Total	7203.50	6527.27	676.23

Hence, differential cost of 676.23 qtls of PHH Rice , AAY Rice , PHH Wheat comes to Rs.67623.00 was suggested for recovery from Sri Jaydev Dash,OM ,Incharge PDS Section .

On issue of objection memo the local authority replied that differential cost of AAY Rice of 117.99 qtls.amounting to Rs.11799.00 has taken to cashier's cash book on dt.03.04.2018 , differential cost of PHH wheat of 38.12 qtls. amounting to Rs.3812.00 has taken to cashier's cash book on dt.03.04.2018, out of 520.12 differential cost of PHH Rice, 429.94 qtls.amounting to Rs.42994.00 has taken to cashier's cash book on dt.03.04.2018 and rest amount of cost of PHH Rice of 90.18 qtls comes to Rs.9018.00 .At the Instance of Exit conference Rs.9018.00 has recovered from Sri Jaydev Dash,OM ,Incharge PDS Section Vide MR No.19/508 dt.26.02.2019. and deposited in A/C No.35940100006474 of Bank of Baroda,Patnagarh ,Branch.

Hence, the para was settled

PARA: 7 INVESTMENT

Patnagarh N A C - 2017-2018

Sino	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	01-04-2017	0.00	0.00	0.00	0.00	31-03-2018	0.00	31-03-2018	0.00	0.00	
	GRAND TOTAL	0.00	0.00	0.00	0.00		0.00		0.00	0.00	

DETAILS OF CB ON INVESTMENT & Comments :

No investment was found in the previous year or in the year under audit i.e. during 2017-18

PARA: 8 ADVANCE

Patnagarh N A C - 2017-2018

Sino	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	01-04-2017	Accountant Cash Book	3958822.00	1463000.00	5421822.00	733000.00	31-03-2018	4688822.00	31-03-2018	0.00	4688822.00	Outstanding advance has not reflected in accountant cash book
	GRAND TOTAL		3958822.00	1463000.00	5421822.00	733000.00		4688822.00		0.00	4688822.00	

Comments :

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 Cash Book of the DDO is to be analyzed and get adjusted within one month as delay in rendering detailed accounts may lead to misappropriation of funds.

Advance paid during 2017-2018 but not adjusted till 31.03.2018 :-

On checking of the Accountant Cash book for the year 2017-18, it was found that an amount of Rs ,14,63,000.00 as advance was paid during the year, but out of the said advance Rs ,1145000.00 has not been adjusted till 31.3.2018. The details are furnished below.

Sl.No.	Name of the employees	Vr.No./Date	Amount	Purpose	Name of the sanctioning authority
1	Sri Barun Sa,JE	428/22.08.17	40000.00	Dev.Work	Sri Kulamani Khatua,EO
2	Sri Sudam Meher,I/C HC	392/11.08.17	50000.00	LSG Day	Sri Kulamani Khatua,EO
3	Sri Sudam Meher,I/C HC	1015/08.03.18	35000.00	Medical	Sri Kulamani Khatua,EO
4	Sri Debiprashad Mishra,JE	867/05.02.18	20000.00	Salary	Sri Kulamani Khatua,EO
5	Sri Sushansu Sekhar Nayak,Contractor	595/01.11.17	1000000.00	Dev.Work	Sri Kulamani Khatua,EO
		TOTAL	1145000.00		

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The local authority is impressed upon to take steps to get the advance adjusted at an earliest by way of making cash recovery or by obtaining details vouchers from the advance holder. Till then Rs 1145000.00 is kept under objection.

The year wise break-up of outstanding advance as on 31.3.2018:-

The year wise break-up of outstanding advance as on 31.3.2018 is furnished below.

Year wise breakup Outstanding Advance Position as on 2017-18	
Year	Amount
Prior to 2010-11	798439
2010-11	357000
2011-12	593720
2012-13	1236334
2013-14	429500
2014-15	41329
2015-16	87500
2016-17	0
2017-18	1145000
TOTAL	4688822.00

It would be revealed from the above break up of outstanding advances that the outstanding balance of advances as on 31.3.2018 has been accumulated high due to pending of un-adjusted amount of advances year after year. It is construed from the fact that maintenance of advance position in the advance ledgers and outstanding ledger of advance, as prescribed in Rules 136 & 140 respectively of Om rule 1953 has not been ensured properly in accordance with the transactions occurred in the cash book. As a result the detailed list of advances outstanding against different staff, others and outsider Agency has not been prepared by the Municipality authority, due to which follow up actions for adjustment of such outstanding balance of advances are badly neglected. It is a serious lapse on the part of local authority for not maintaining 'Advance Ledger'. The attention of the higher authority is invited in this regard for taking needful action. Further attention of the council is invited in this regard and suggested to instruct the EO to ensure at first the detailed list of advance and then execute a special drive to adjust such unsecured balance of advances either by cash recovery or by obtaining authenticated vouchers from the defaulters, as early as possible, other wise the municipality will sustain the loss, action taken on this score need be intimated to audit.

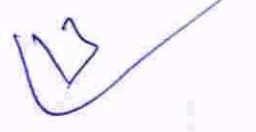
Advance outstanding for more than one year as on 31.03.2018 (Surchargable):- NIL

The following outstanding advance amount adjusted during the year 2017-18 which has already been surcharged in the previous audit report.

The details are given below.

Sl.No.	Name of the employees	Vr.No./Date	Amount	Purpose
1	Sri Barun Sa, JE	313/26.07.12	150000	Dev. work
2	Sri Barun Sa, JE	430/05.09.12	100000	Dev. work
3	Sri Barun Sa, JE	818(1)/26.02.13	100000	Dev. work
4	Sri Barun Sa, JE	65/03.05.13	50000	Dev. work
5	Sri Kulamani Khatua, EO	615/11.09.15	15000	TA

		TOTAL	415000	
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PARA: 9 GRANTS

Patnagarh N A C - 2017-2018

Sino	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	01-04-2017	63268867.57	55608200.00	118877067.57	63389377.00	31-03-2018	55487690.57	
	GRAND TOTAL	63268867.57	55608200.00	118877067.57	63389377.00		55487690.57	

Comments :

The details of grant received and utilized during the year 2017-18 of Patnagarh NAC are furnished below.

Statement Showing the details of Grant received in respect of Patnagarh NAC for the year 2017-18

Sl. NO.	Particulars of Grant	G.O No.	OB AS ON 01.04.2017	Received during 2017-18	Total	Expenditure for 2017-18	CB AS ON 31.3.2018
1	Octroi Compensation		71,70,902.00	0.00	71,70,902.00	71,70,902.00	0.00
	Total		71,70,902.00	0.00	71,70,902.00	71,70,902.00	0.00
2	Road Dev.(Grant)		30,42,324.66	0.00	30,42,324.66	30,42,324.00	0.66
	Total		30,42,324.66	0.00	30,42,324.66	30,42,324.00	0.66
3	Devolution grant	18509/HUD/16.8.17	41,53,993.00	28,78,000.00	70,31,993.00	14,47,012.00	55,84,981.00
		3441/HUD/5.2.18	0.00	28,77,000.00	28,77,000.00	0.00	28,77,000.00
	Total		41,53,993.00	57,55,000.00	99,08,993.00	14,47,012.00	84,61,981.00
4	MLA LAD	Online /10.05.17	-18,60,171.00	8,00,000.00	-10,60,171.00	32,58,465.00	-43,18,636.00
		Online /10.05.17	0.00	10,00,000.00	10,00,000.00	0.00	10,00,000.00
		Online /29.11.17		13,90,000.00	13,90,000.00	0.00	13,90,000.00
	Total		-18,60,171.00	31,90,000.00	13,29,829.00	32,58,465.00	-19,28,636.00
5	MP LAD	Online /08.03.2018	-5,68,044.00	2,00,000.00	-3,68,044.00	0.00	-3,68,044.00
			0.00	0.00	0.00	0.00	0.00
	Total		-5,68,044.00	2,00,000.00	-3,68,044.00	0.00	-3,68,044.00
6	HONORARUUM of elected representatives	17428/HUD/01.08.2017	0.00	50,850.00	50,850.00	42,150.00	8,700.00

		Total	0.00	50,850.00	50,850.00	42,150.00	8,700.00
7	MV TAX GRANT	18967/HUD/19.8.17	56,74,052.00	8,46,000.00	65,20,052.00	21,90,902.00	43,29,150.00
		3422/HUD/5.2.18		8,46,000.00	8,46,000.00	0.00	8,46,000.00
		Total	56,74,052.00	16,92,000.00	73,66,052.00	21,90,902.00	51,75,150.00
8	Entry Tax	13866/HUD/20.06.17	0.00	86,18,000.00	86,18,000.00	86,18,000.00	0.00
		27608/HUD/25.11.17	0.00	85,83,000.00	85,83,000.00	66,44,807.00	19,38,193.00
			0.00	1,72,01,000.00	1,72,01,000.00	1,52,62,807.00	19,38,193.00
9	Creation of Capital Asset	20772/HUD/4.9.17	19,20,000.00	4,74,000.00	23,94,000.00	0.00	23,94,000.00
		5558/HUD/26.02.18		4,75,000.00	4,75,000.00	0.00	4,75,000.00
		Total	19,20,000.00	9,49,000.00	28,69,000.00	0.00	28,69,000.00
10	Maint. Of Capital Asset	19688/HUD/29.8.17	9,15,000.00	2,27,000.00	11,42,000.00	2,00,534.00	9,41,466.00
		5582/HUD/26.02.18	0.00	2,26,000.00	2,26,000.00	0.00	2,26,000.00
		Total	9,15,000.00	4,53,000.00	13,68,000.00	2,00,534.00	11,67,466.00
11	Maint.of Road & Briges	Online/19.2.18	1,24,75,478.00	24,08,000.00	1,48,83,478.00	7,52,305.00	1,41,31,173.00
		Total	1,24,75,478.00	24,08,000.00	1,48,83,478.00	7,52,305.00	1,41,31,173.00
12	Maint.of Non-Residential Building	3498/HUD/06.02.18	4,34,138.00	3,16,000.00	7,50,138.00	7,50,138.00	0.00
		Total	4,34,138.00	3,16,000.00	7,50,138.00	7,50,138.00	0.00
13	14th FC Basic Grant	18479/HUD/16.8.17	1,24,72,140.00	45,45,000.00	1,70,17,140.00	1,62,20,007.00	7,97,133.00
		30499/HUD/26.12.17	0.00	44,96,000.00	44,96,000.00	0.00	44,96,000.00
		Total	1,24,72,140.00	90,41,000.00	2,15,13,140.00	1,62,20,007.00	52,93,133.00
14	WODC	Online /01.03.18	69,58,771.00	20,00,000.00	89,58,771.00	13,18,775.00	76,39,996.00
		Total	69,58,771.00	20,00,000.00	89,58,771.00	13,18,775.00	76,39,996.00
15	Anganwadi Centre	Online/12.10.17	0	14,00,000.00	14,00,000.00	0.00	14,00,000.00

16	Misc. Grant		6000.91	0.00	6,000.91	0.00	6,000.91
17	Entertainment Tax		3385	0.00	3,385.00	0.00	3,385.00
18	Constn. of Boundary wall		714449	0.00	7,14,449.00	0.00	7,14,449.00
19	SWM Grant		1843083	0.00	18,43,083.00	0.00	18,43,083.00
20	Basic Services Grant(4th SFC) & Arr. Pension	20550/HUD/17.9.17	1249078	40,38,000.00	52,87,078.00	40,36,482.00	12,50,596.00
		5626/HUD/26.2.17	0	38,30,000.00	38,30,000.00	0.00	38,30,000.00
		Total	12,49,078.00	78,68,000.00	91,17,078.00	40,36,482.00	50,80,596.00
21	Improvement Water supply		3000000	0.00	30,00,000.00	0.00	30,00,000.00
22	OULM /NULM	Online/27.06.17	150712	32,000.00	1,82,712.00	1,82,712.00	0.00
		Online/14.09.17		1,62,000.00	1,62,000.00	47,432.00	1,14,568.00
		Online/14.09.17		1,08,000.00	1,08,000.00		1,08,000.00
		Online/15.09.17		2,00,000.00	2,00,000.00		2,00,000.00
		Total	1,50,712.00	5,02,000.00	6,52,712.00	2,30,144.00	4,22,568.00
23	Public Toilet		1407000	0.00	14,07,000.00	0.00	14,07,000.00
		Total	14,07,000.00	0.00	14,07,000.00	0.00	14,07,000.00
24	SBM (IHHL)	2357/HUD/25.1.18	3057548	1,44,750.00	32,02,298.00	12,61,820.00	19,40,478.00
		5351/HUD/24.2.18		24,37,600.00	24,37,600.00	0.00	24,37,600.00
		Total	30,57,548.00	25,82,350.00	56,39,898.00	12,61,820.00	43,78,078.00
25	Performance based intensive		6204610	0.00	62,04,610.00	62,04,610.00	0.00
26	Protection of water bodies		473931	0.00	4,73,931.00	0.00	4,73,931.00
27	Maintenance of street light		-76,29,513.00	0.00	-76,29,513.00		-76,29,513.00
		Grand Total :	6,32,68,867.57	5,56,08,200.00	11,88,77,067.57	6,33,89,377.00	5,54,87,690.57

Now spending of Govt. grants :-

It would be found from the above position of Grant that a sum of Rs.63268867.57 was outstanding towards unspent balance of grants relating to previous years

for utilization at the beginning of the financial year 2017-18. During the year under audit grants to the extent of Rs.55608200.00 was received from the Govt. towards different programmes. Thus a total sum of Rs.118877067.57 was available with the NAC during the year 2017-18 for utilization on different schemes of the government. But out of this available fund a sum of Rs.63389377.00 only was utilized leaving the balance amount of Rs.55487690.57 at the end of the year under audit. As such the utilization of grant was found low in comparison to the volume of grants available in chest of the NAC. The reasons of low spending of grants were asked for to be pointed out to audit. But in response to audit objection statement issued on the score the local authority furnished no comments. However on verification of records it was learnt that no special plan was out lined to utilise the grants as per basic needs of urban people. Besides due to lack of proper supervision, and monitoring of Municipal Authority implementation of various programmes of the Govt. were not completed in stipulated time. In absence of proper and frequent monitoring, field visit, and recommendations of supervisory staff utilization of grants has not been expedited. Hence attentions of the Municipal Authorities are invited in this context and suggested to do the needful to utilize the unspent balance of grants as early as possible for the greater interest of the urban people, so that the very purpose of sanction of grants can be fulfilled.

The Executive officer is however advised to maintain the above register with detail entries made therein forthwith and produce to next audit for record of necessary information. As per the provision made under Rule-171 of OGFR Vol-I grants received during a year should be utilized during the same financial year, or within one year from the date of their sanction. But it would be seen from the position of above pendency that unspent amounts of grants relating to previous years have been retained unduly in the chest of municipality without refund to the funding authorities, as the same have not been utilized within the stipulated period of sanction. Hence the local authority is suggested to refund the unspent balance of grants to the sanctioning authorities, if there is no prospect of utilization as per the terms and conditions adhere to the sanction orders, or utilize the same at the earliest after obtaining the fresh approval from the sanctioning authorities of the respective grants and compliance reported to audit.

PARA: 10 UTILISATION CERTIFICATE

Patnagarh N A C - 2017-2018

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	01-04-2017	202186759.70	63389377.00	265576136.70	64748504.00	31-03-2018	200827632.70	
	GRAND TOTAL	202186759.70	63389377.00	265576136.70	64748504.00		200827632.70	

Comments :

The details of US submitted during the year 2017-18 are furnished below.

Details of UC submitted during the year 2017-18

Letter no. /Date	Amount	Name of the scheme	Year of Grant	Paid to
870/10.05.17	3132070	14 th FC	2016-17	PD DUDA,Balangir
870/10.05.17	1717678	14 th FC	2016-17	PD DUDA,Balangir
621/28.03.18	4545000	14 th FC	2017-18	PD DUDA,Balangir
621/28.03.18	1330051	14 th FC	2017-18	PD DUDA,Balangir
874/10.05.17	745000	Creation of capatal Assets	2016-17	PD DUDA,Balangir
1996/1.11.17	97000	Maintanance of capatal Assets	2016-17	PD DUDA,Balangir
876/10.05.17	100000	Maintanance of capatal Assets	2015-16	PD DUDA,Balangir

1318/25.07.17	1131407	Devolution Fund	2016-17	PD DUDA,Balangir
1318/25.07.17	315605	Devolution Fund	2016-17	PD DUDA,Balangir
2006/1.11.17	1424860	Devolution Fund	2016-17	PD DUDA,Balangir
1998/1.11.17	49750	MV Tax	2016-17	PD DUDA,Balangir
1998/1.11.17	275521	MV Tax	2015-16	PD DUDA,Balangir
1998/1.11.17	720000	MV Tax	2015-16	PD DUDA,Balangir
1998/1.11.17	514519	MV Tax	2016-17	PD DUDA,Balangir
1796/09.10.17	567700	SBM	2015-16	PD DUDA,Balangir
886/10.05.17	31098	SBM	2015-16	PD DUDA,Balangir
886/10.05.17	352774	SBM	2015-16	PD DUDA,Balangir
617/28.03.18	4036482	Arr.Pension & Basic Service	2017-18	PD DUDA,Balangir
615/28.03.18	477145	Entry Tax	2017-18	PD DUDA,Balangir

615/28.03.18	6644807	Entry Tax	2017-18	PD DUDA,Balangir
2399/20.12.17	194000	Entry Tax	2016-17	PD DUDA,Balangir
2399/20.12.17	8140855	Entry Tax	2017-18	PD DUDA,Balangir
2395/20.12.17	26215	Arr.Pension & Basic Service	2016-17	PD DUDA,Balangir
880/10.05.17	4381000	Arr.Pension & Basic Service	2016-17	PD DUDA,Balangir
880/10.05.17	2124922	Arr.Pension & Basic Service	2016-17	PD DUDA,Balangir
872/10.05.17	3953000	Entry Tax	2016-17	PD DUDA,Balangir
872/10.05.17	3760000	Entry Tax	2016-17	PD DUDA,Balangir
884/10.05.17	350571	Non-LFS Pension	2016-17	PD DUDA,Balangir
2393/20.12.17	291545	NRB	2014-15	PD DUDA,Balangir
2393/20.12.17	202598	NRB	2015-16	PD DUDA,Balangir

882/10.05.17	100837	NRB	2014-15	PD DUDA,Balangir
882/10.05.17	46310	CC Road	2013-14	PD DUDA,Balangir
2397/20.12.17	780468	IHSDP	2013-14	PD DUDA,Balangir
878/10.05.17	20000	IHSDP	2013-14	PD DUDA,Balangir
2004/01.11.17	170186	RD	2014-15	PD DUDA,Balangir
2004/01.11.17	190000	RD	2014-15	PD DUDA,Balangir
2004/01.11.17	253333	RD	2014-15	PD DUDA,Balangir
2004/01.11.17	507778	RD	2015-16	PD DUDA,Balangir
2004/01.11.17	136667	RD	2015-16	PD DUDA,Balangir
2004/01.11.17	183334	RD	2015-16	PD DUDA,Balangir
2004/01.11.17	186667	RD	2015-16	PD DUDA,Balangir
2004/01.11.17	140000	RD	2015-16	PD DUDA,Balangir

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2004/01.11.17	515556	RD	2015-16	PD DUDA,Balangir
2004/01.11.17	575940	RD	2016-17	PD DUDA,Balangir
753/22.4.17	331217	BRGF	2011-12	PD DUDA,Balangir
753/22.4.17	412346	BRGF	2011-12	PD DUDA,Balangir
753/22.4.17	727047	BRGF	2013-14	PD DUDA,Balangir
2013/01.11.17	164660	BRGF	2011-12	PD DUDA,Balangir
625/28.3.18	828013	BRGF	2013-14	PD DUDA,Balangir
625/28.3.18	2374	BRGF	2014-15	PD DUDA,Balangir
624/28.03.18	203000	BRGF	2011-12	PD DUDA,Balangir
624/28.03.18	1015011	BRGF	2014-15	PD DUDA,Balangir
378/27.02.18	110837	BRGF	2010-11	PD DUDA,Balangir

378/27.02.18	275760	BRGF	2011-12	PD DUDA,Balangir
378/27.02.18	341027	BRGF	2013-14	PD DUDA,Balangir
378/27.02.18	303469	BRGF	2014-15	PD DUDA,Balangir
356/22.02.18	1000000	BRGF	2010-11	PD DUDA,Balangir
356/22.02.18	1399191	BRGF	2013-14	PD DUDA,Balangir
356/22.02.18	318071	BRGF	2014-15	PD DUDA,Balangir
2390/20.12.17	200000	MPLAD	2015-16	PD DUDA,Balangir
2390/20.12.17	200000	MPLAD	2015-16	PD DUDA,Balangir
2390/20.12.17	200000	MPLAD	2015-16	PD DUDA,Balangir
2417/20.12.17	250000	MLALAD	2016-17	PD DUDA,Balangir
1298/20.07.17	300000	MLALAD	2017-18	PD DUDA,Balangir
1298/20.07.17	50000	MLALAD	2016-17	PD DUDA,Balangir

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1298/20.07.17	499232	MLALAD	2016-17	PD DUDA,Balangir
1298/20.07.17	170000	MLALAD	2016-17	PD DUDA,Balangir
TOTAL	64748504			

Year wise breakup submitted UC position as on 2017-18

Year	Amount
2010-11	1110837
2011-12	1393983
2012-13	0
2013-14	4142056
2014-15	2644826
2015-16	4519693
2016-17	25462769
2017-18	25474340
TOTAL	64748504.00

Year wise breakup outstanding UC

The details of year wise break up position of pending UC as on 31.03.2018 is furnished below.

Year wise breakup outstanding UC position as on 31.03.2018

Year	Amount
Unclassified	999999.92
Prior to 1994-95	1277207.39
1994-95	223034
1999-2000 to 2003-04	12957828.35
2004-05	5457053
2005-06	6885177
2006-07	9778795
2007-08	3420620
2008-09	19657568
2009-10	14891661
2010-11	8160963
2011-12	27557918
2012-13	19248144.04

2013-14	14732291
2014-15	21100978
2015-16	7500695
2016-17	10937337
2017-18	37915437
TOTAL	200828032.70

It would be revealed from the above pendency of UC that maximum amounts, for which utilization certificates are due for submission are rolling since years together. No sincere steps have been taken by the local authority to clear up such pendency by regular submission of UCs as per Rule-173 of OGFR Vol-I. In this connection it may be pointed out here that pendency of utilization certificates involves with the risk of losing fresh and further grants from the sanctioning authorities. Further Rule 173 of OGFR-vol-1 gives emphasis on submission of UCs by the grantee organisation to the administrative Deptt. by the 1st June of the succeeding year of expenditure for proper monitoring of utilization of grants for intended purposes. However on verification it was observed that UCs for total amount of Rs 200827632.00 was lying outstanding against this NAC as on 31st March, 2018. This shows the lack of promptness in submission of UCs by the local authority. Hence immediate action need be taken on most priority basis to clear up such pendency as far as possible to avoid above complication and compliance reported

PARA: 11 MISAPPROPRIATION & DEFALCATION

11.1 -
- NO COMMENT -

PARA: 12 LOSS OF STOCK & STORE

12.1 -
- NO COMMENT -

PARA: 13 AUDIT OF RECEIPTS

13.1 - Position of D C B

1. Assessment of Taxes:

Annual value of Assessment of holding tax was made by the valuation Organization during the year 1994-95 as per Lr. No. 132, dt.14.01.94 of H & UD Deptt. (Valuation department) of Govt of Orissa, which was finally published in this NAC on dt. 30.03.95 under section of 143 of Orissa Municipal Act 1950 and sub-rule - 5 of Rule- 516(B) of Orissa Municipal Rule - 1953, vide Lr. No. 533. dt.29.03.95 of valuation Organization. This was placed before the council on 15.09.95 and it was decided to be effective from dt.01.10.1995 .and it was due for revision in 2000 after a gap of 5 years. The sanction of works by the NAC was made as per latest schedules of rates and the collection of tax on the basis of holdings as per schedule of rates 1995 was bound to create financial crisis for the NAC .Action may be taken to revised the rates of annual value of holding.

2 Assessment of New holding Tax:

No new assessment has been made during the year 2017-18.

3- D C B Position:

The Demand , Collection and Balance (DCB) position of Taxes and fees for the year 2017-18 have been furnished in Statement below. It was noticed from the table that the Tax collection achievement is very poor. The council may review the collection position periodically and strong action may be taken against the defaulters holding owners.

Collection of taxes :

The Demand, Collection and Balance (DCB) position of Taxes and fees for the year 2017-18 has been furnished below. However, an abstract position of collection of different taxes is furnished below.

Statement showing the details of DCB position of taxes fees of Patnagarh NAC for the year 2017-18

Sl. No	Particulars	Demand as on 01.4.2017			Rebate	Effective Demand			Collection during the year 2017-18			Balance as on 31.03.2018		
		Arrear	Current	Total		Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total

A	TAXES													
1	Holding Tax	207027.21	352543.61	559570.82	30720.72	207027.21	321822.89	528850.168	124526.7	316583.45	441110.13	82500.53	5239.425	87739.95
2	Light tax	288483.69	372496.37	660980.06	30893.85	288483.69	341602.52	630086.21	124735.78	305302.59	430038.37	163747.91	36299.93	200047.84
3	Water tax	211461.7	484759.25	696220.95	40021.09	211461.7	444738.16	656199.86	157263.25	404753.28	562016.53	54198.45	39984.88	94183.33
	Total	706972.6	1209799.23	1916771.83	101635.66	706972.6	1108163.57	1815136.17	406525.71	1026639.34	1433165.05	300446.89	81524.23	381971.12
B	FEES / LEASE													
3	Rent for Municipal city stall	731357	1296960	2028317	0	731357	1296960	2028317	428451	987118	1415569	302906	309842	612748
	TOTAL	731357	1296960	2028317		731357	1296960	2028317	428451	987118	1415569	302906	309842	612748
	G.TOTAL	1438329.6	2506759.23	3945088.83	101635.66	1438329.6	2405123.57	3843453.17	834976.71	2013757.34	2848734.05	603352.89	391366.23	994719.12

It was noticed from the above table that the overall percentage of collection of holding tax, light tax, water tax and drainage tax against demand raised was 25.5 % during 2017-18. The holding tax constitutes prime sources of municipal council but percentage of collection thereof is very poor which shows the inefficiency and lack of proper monitoring skill of the local authority. The council may review the collection position periodically and strong action may be taken against the defaulters holding owners.

As per Rule-175 of Odisha Municipal Rules, 1953, the NAC 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 NAC declaring day(s) and time for receipt of taxes, u/s 159(2) any tax on the annual value of holdings shall be payable quarterly installment and every such installment shall be deemed to be due on the first day of the quarter in respect of which payable. u/s 34 / 48 .

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 NAC 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 NAC may establish a system of reward and punishment to tax collector to ensure best results in collection of tax .

13.2 - Time barred due

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 on the person liable to pay the same a notice in the prescribed form. If still the dues are not collected, the NAC 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 NAC fails to realize the arrear tax by distress and sale, according to Section 169 the NAC 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 NAC instead of proceeding by distress and sale in case of failure to realize the whole or any part of any tax, the NAC 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.

On scrutiny of the DCB register of individual holdings and files 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.381971.12 as detailed below are remaining uncollected for years together. The year wise breakup of outstanding taxes is furnished below.

Year -wise and category-wise break-up of balance of taxes as on 31.03.2018

Year wise breakup Time Barred Tax as on 31.03.2018	
Year	Amount

✓

2012-13	60308.04
2013-14	59800.86
2014-15	62620.2
2015-16	16082.13
2016-17	0
2017-18	183159.89
TOTAL	381971.12

As per section 346 of the Odisha Municipal Act, 1950, no distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any sum due to a NAC under this Act, after the expiration of a period of three years from the date on which distraint might first have been made, a suit might first have been instituted, or prosecution might first have been commenced, as the case may be in respect of such sum.

It would be seen from the year wise break up of outstanding taxes that the taxes of Rs.381971.12 is lying as outstanding balance as on 31.3.2018. Out of which a sum of Rs.59800.86 has become barred by limitation (tax outstanding for more than 5 years i.e. for the year 2013-14) during the year 2017-18. But not a single demand notice U/s 161 or distress warrant u/s 162, 163 has been issued during the year 2017-18 by NAC authorities which resulted loss to the NAC Fund. For the above loss the EO, HC and Tax Daroga are held responsible. Time Barred amount already suggested for recovery by the previous audit in vide AR No.19235/AR/2016-17-BOLANGIR, thereby the same amount is merely held under objection till the recovery has been effected.

PARA: 14 AUDIT OF EXPENDITURE

14.1 - IRREGULAR ENGAGEMENT OF NMR/DLR

During the year under audit it was found that a sum of Rs.137960.00 was shown expenditure towards DLR payment. As per G.O.No.36051/HUD/Dt.19.05.97 no DLR and NMR should be engaged without the prior concurrence of the Govt. in HUD department, but by violating the instruction of the Government the above payments were made which cannot be admitted in audit. On being asked about the production of post facto approval from the competent authority no, such approval could be made available to audit. However, the total amount of Rs.137960.00 is held under objection till the ex-post facto approval of Govt. is obtained and produced to audit.

DLR payment for the year 2017-18 of Patnagarh NAC

Vr.No./Date	Amount	Month	Particular of payment
1	2	3	4
210/17.6.17	10800.00	March-17	DLR payment
248/3.7.17	10000.00	April-17	DLR payment
249/3.7.17	10800.00	May-17	DLR payment
289/2.7.17	10400.00	Jun-17	DLR payment
346/31.7.17	10400.00	Jul-17	DLR payment
439/30.8.17	11528.00	Aug-17	DLR payment
489/20.09.17	18520.00	Sep-17	DLR payment
683/08.12.17	11530.00	Oct-17	DLR payment

692/08.12.17	11102.00	Noc-17	DLR payment
758/4.1.18	11102.00	Dec-17	DLR payment
836/1.2.18	11530.00	Jan-18	DLR payment
990/28.02.18	10248.00	Feb-18	DLR payment
Total:	137960.00		

On issue of objection memo the Local Authority replied that Ex-Post-Facto approval from Govt.H&UD Deptt. Odisha would be obtained and produce to next audit .. till the same produce before next audit Rs.137960.00 is kept under objection.

14.2 - Non deposit of VAT collected at the time of sale of tender paper

On checking of financial statement of receipt w.r. to accountant cash book for the year 2017-2018, it was seen that an amount of Rs.876745.00 has been shown collected towards sale of tender papers till June-17 including @ 5% of VAT .But the VAT amount of RS.43837.00 @ of 5 % of Rs.876745.00 has not yet been deposited in proper head of account, which is highly illegal. As per Rule- 6 of OTC Vol- (I) amount collected towards revenue of the state should be remitted in to Govt. Treasury within 3 days from the date of receipt of the said amount.

On issue of audit objection memo the local authority replied " action are being taken to deposit the Govt. due.Till the amount deposited in Govt. treasury Rs 43837.00 is kept under objection"

PARA: 15 AUDIT ON WORKS

15.1 - EXCESS EXECUTION OF WORK WITH OUT ESTIMATED PROVISION

1.Name of the work:- Const. of Ladies Bathing ghat at W.N -6 of Bhanusagar Tank

Name of the JE :- Sri Barun Sa

Name of the Executant :-Sri Biswambar Panighari

Scheme :- MLALAD

Estimated cost :- 1,70,000/-

Name of the ME – Ujal jani

Ref to VRNo. 81 dt.27.04.17, MB No.104 page 39-46

On verification of the above work case record w.r.to MB, it was found that the following items of the above said work have been executed in excess beyond estimated provision and with out preparing work done estimate and approval of competent technical and administrative authority which is highly irregular and could not admitted in audit . The details calculation of execution excess work beyond estimated provision are furnished below.

Particulars of work	Amount paid as per bill	Actual amount as per estimate	excess
I)Earth work in hard soil	2684.12	1992.30	691.82
	@91.39 for 29.37cum work	@91.39 for 21.80 cum work	
II)C.C(1:3:6)	145051.38 for @3471.79	128456.23 for @3471.79	16595.15



For 41.78 cum work

For 37.00 cum work

TOTAL = 17286.97

Or = 17287.00

(-) Deduct 10% as per provision contained in OPWD code

(Deviation up to 10% will be allowed of estimate provision (i) 10% of 1992.30 = 199.00 (-) 199.00

(ii) 10% of 128456.23 = 12845.00 (-) 12845.00

TOTAL 4243.00

Hence Rs.4243.00 which was paid to in excess to the executant which could not admitted in audit and needs recovery from the executant.

On issue of objection memo the local authority replied that would be recovered from the executant.

Person(s) Responsible for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs:)
1	Sri Kulamani Khatua, Ex-EO	Ex-EO	Statistical Investigator, Co-Director of Statistics Odisha, Bhubaneswar.	1415
2	Sri Barun Sa, JE	JE, Patnagarh NAC	JE, Patnagarh NAC, Patnagarh Bolangir	1414
3	Sri Ujal Jani, ME	ME	AEE Patnagarh PS, Dist-Bolangir	1414

15.2 - EXCESS EXECUTION OF WORK WITH OUT ESTIMATED PROVISION

2. Name of the work:- Const. of Culvert near Malkamunda of Kukurmunda of W.N.-5

Name of the JE :- Sri Barun Sa

Name of the Executant :- Sri Naresh Meher

Scheme :- MLALAD

Estimated cost 50,000/-

Name of the ME - Ujal jani

Ref to VRNo. 55 dt.18.04.17, MB No.122 page 16-23

On verification of the above work case record w.r.to MB, it was found that the following items of the above said work have been executed in excess beyond estimated provision and with out preparing work done estimate and approval of competent technical and administrative authority which is highly irregular and cannot admitted in audit. The details calculation of execution excess work beyond estimated provision are furnished below.

Particulars of work	Amount paid as per bill	Actual amount as per estimate	excess
MS rod reinforcement	10775.16	7598.67	3176.49
With cutting bending its	@6228.42 for 1.73 Qtl.	@6228.42 for 1.22 Qtl.	

(-) Deduct 10% as per provision contained in OPWD code

(Deviation up to 10% will be allowed of estimate provision (i) 10% of 7598.67 = 760.00 (-) 760.00

..... 2416.49 or 2416.00

TOTAL

e

Hence Rs.2416.00 which has paid to in excess to the executant which cannot be admitted to audit and needs recovery from the executant.

On issue of objection memo the local authority replied that would be recovered from the executant.

Person(s) Responsible for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs.)
1	Sri Kulamani Khatua,Ex	Ex-EO	StatistacI Investigater co-Director of statistic, odisha,Bhubaneswar	806
2	Sri Barun Sa,JE	JE, Patnagarh NAC	JE,Patnagarh NAC,Patnagarh Bolangir	805
3	Sri Ujal Jani ,ME	ME	AEE Patnagarh PS ,Dist-Bolangir	805

15.3 - EXCESS EXECUTION OF WORK WITH OUT ESTIMATED PROVISION

3.Name of the work:- Const. of Teacher Association building (Baoundary wall)

Name of the JE :- Sri Barun Sa

Name of the Executant :-Sri Sri Damburudhar Panighari

Scheme :- MLALAD

Estimated cost 1,00,000/-

Name of the ME – Ujal jani

Ref to VRNo. 988 dt.28.02.18, MB No.104 page 117-126

On verification of the above work case record w.r.to MB, it was found that the following items of the above said work have been executed in excess beyond estimated provision and with out preparing work done estimate and approval of competent technical and administrative authority which is highly irregular and cannot admitted in audit . The details calculation of execution excess work beyond estimated provision are furnished below.

Particulars of work	Amount paid as per bill	Actual amount as per estimate	excess
I)Earth work in hard soil	1561.85	1151.51	410.34
	@91.39 for 17.09cum work	@91.39 for 12.60 cum work	
II)Disposal of old damage	2658.80 for @156.40	1970.64 for @156.40	688.16
Garbage	For 17.00 cum work	For 12.60 cum work	
		TOTAL =	1098.50
(-) Deduct 10% as per provision contained in OPWD code			
(Deviation up to 10% will be allowed of estimate provision (i)10% of 1151.51 = 115.00 (-) 115.00			
	(ii) 10% of 1970.64 = 197.00.....	(-) 197.00	
TOTAL		786.50 or 786.00	

Hence Rs.786.00 which was paid to in excess to the executant which could not admitted in audit and needs recovery from the executant.

On issue of objection memo the local authority replied that would be recovered from the executant.

Person(s) Responsible for this paragraph

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Sino	Name	Designation	Adress	Amount(In Rs.)
1	Sri Kulamani Khatua,Ex	Ex-EO	Statistacl Invastigator ,Co-Director of Statistic Odisha,Bhubaneswar.	262
2	Sri Barun Sa,JE	JE, Patnagarh NAC	JE,Patnagarh NAC,Patnagarh Bolangir	262
3	Sri Ujal Jani ,ME	ME	AEE Patnagarh PS ,Dist-Bolangir	262

15.4 - Payment made with out estimated provision

On verification of the following work case record w.r.to MB, it was found that the Rs.10,000.00 has paid to following executant towards cost of Transparency Pillar.But on scrutiny the work case records it was found that there was neither estimated provision in the work case record towards cost of Transparency Pillar nor supporting photograph and vouchers towards cost of Transparency Pillar were found in the work case record, Hence the payment of Rs.10000.00 in the following work case record cannot be admitted in audit and needs recovery from the executant.

The Details are given below.

Items SI No	Amount	VR No & Date	Scheme	Name of the Executant	MB No & P No	Name of the work	EC	Name of the JE
16	1000	833/18.1.18	SDP	Purnachandra Meher	120/148-165	Community Center near Samaleswari Mandir WN-1	2.5 Lakhs	Barun Sa
11	2000	643/10.11.17	SPF	Naresh Meher	124/37-54	Culvert on kukurmunda to Kudia road	2.5 Lakhs	Barun Sa
6	2000	219/22.6.17	SPF	Saroj Chindra	126/18-24	CC road at Bimbadhar house to Netaji Chowk	3 Lakhs	Barun Sa
11	1000	641/15.11.17	SPF	Makardhaja Mutaia	122/76-91	Gymanasium at Bhatialpada	2 Lakhs	Barun Sa
11	1000	316/20.7.17	MLALAD	Bajranglal Jain	120/62-71	Marbadi dhramsala WN-1	2 Lakhs	Barun Sa
6	1500	873/16.2.18	MLALAD	Jayanta Meher	122/105-120	Community Center WN-12	4 Lakhs	Barun Sa
6	1500	263/6.7.17	MLALAD	Makardhaja Mutaia	121/115-119	CC road from Ananta Pattnaik House to Pulin Mishra house	2.5 Lakhs	Barun Sa
TOTAL	10000							

On issue of objection memo the local authority replied that would be recovered from the executant failing which the same amount would be recovered from JE and ME.

Person(s) Responsible for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs.)
1	Sri Kulamani Khatua,Ex	Ex-EO	Statistacl Invastigator ,Co-Director of Statistic Odisha,Bhubaneswar.	3334
2	Sri Barun Sa,JE	JE, Patnagarh NAC	JE,Patnagarh NAC,Patnagarh Bolangir	3333
3	Sri Ujal Jani ,ME	ME	AEE Patnagarh PS ,Dist-Bolangir	3333

15.5 - Non-Production of work cash records

Inspite of issue of audit objection memo and several request to the local authority the following work case records could not be produced before audit for verification .The details are given below.

VR No /Month	Amount	Paid to	Name of the work
199/June-17	87880.00	Rojaline Subudhi	Renovation of Barampura Tank (Extra Work)
237/July-17	96643.00	Rojaline Subudhi	Renovation of Barampura Tank (Extra Work)

723/Dec-17	99094.00	Nandan Thakur	Const. Of club near Ramji high school
719/Dec-17	1113956.00	Gunanidhi Bagh	Const. of Town hall
TOTAL	1397573.00		

The above work case record may be produced to next audit, till than Rs.1397573.00 is kept under objection.

PARA: 16 AUDIT ON UNITS / DEPARTMENT

16.1 - AUDIT ON UNITS / DEPARTMENT

No COMMENTS

PARA: 17 AUDIT ON SCHEMES / PROGRAMMES

17.1 - SCHEME NULM

17.1. Introduction and Objectives

The Employment through Skills Training & Placement (EST & P) Component under NULM is designed to provide skills to the unskilled urban poor as well as to upgrade their existing skills. The program will provide for skill training of the urban poor to enable them setting up self-employment ventures and for salaried jobs in the private sector. The EST & P Programme intends to fill the gap between the demand and availability of local skills by providing skill training programs as required by the market.

17.2 Aims & Objectives

The broader objective of the Employment through Skills Training & Placement (EST & P) Program is: –

1. To provide an asset to the urban poor in the form of skills for sustainable livelihood.
2. To increase the income of urban poor through structured, market-oriented certified Courses that can provide salaried employment and /or self-employment opportunities Which will eventually lead to better living standards and alleviation of urban poverty on a sustainable basis.
3. Ensure inclusive growth with increased contribution of skilled urban poor to the National Economy.

17.3. Skill Training Modules

There are four types of Skill Training Modules provided in the scheme i e

1. Skill Gap Analysis
2. Curriculum Designing
3. Soft Skills
4. Course Duration

3.1 Skill Gap Analysis

In order to achieve the above objectives, the trainings should be provided as per the industry demand and as per the curriculum recognized nationally. The industry demand for skill can be assessed only through a comprehensive Skill Gap Analysis at city level. The Skill Gap Analysis (SGA) should provide a clear picture of the industry wise demand for trained manpower, nature of skills required, trades to be ed for EST& Pboth for wage employment as well as for self-employment. The SGA should also state the nature and duration of the courses required for each trade. Such a study must have projections for a period of 5 years. The Skill Gap Analysis conducted by National Skill Development Corporation(NSDC) may be referred by the State Urban Livelihoods Mission (SULM).

The NULM may take help of Sector Skill Councils of NSDC, Technical Universities, State Department of Labour and Employment, State Industries Department, Government sponsored Research Institutions, State Industries Association or any other competent agency to conduct the Skill Gap Analysis. The cost of conducting Skill Gap Analysis may be booked under the A&O Expenses of NULM.

The Skill Gap Analysis should provide demand for employment in upcoming industries and also identify the scope for setting up of self-enterprises in local area. The trainings should be conducted for imparting skills with highest demand in local areas, however for candidates willing to migrate to other regions skill training courses not identified under skill gap analysis may also be conducted.

3.2 Curriculum Designing

The skill trades identified through the skill gap analysis should have a formal standard curriculum which is designed in accordance to the demand of the industry, need for assessment and certification requirements.

The National Occupational Standards (NOS) have been developed by various Sector Skill Councils under NSDC. The NOS specify the standard of performance an individual must achieve for carrying out a function in the work place. The NOS are laid down by the employers through the Sector Skill Councils under NSDC. The NOS and identified Job Roles are in accordance to the standards prescribed under the National Vocational Education

Qualifications Framework (NQEF) as mentioned in the National Skill Policy. The NULM may consider finalizing the curriculum based on the NOS and NQEF requirements.

The Ministry of Labor & Employment has designed curriculum for a list of Modular Employable Skill (MES) courses under the Skill Development Initiative Scheme. The curriculum as provided by MOL & E may be followed for the skill training courses. However, if MES courses do not have curriculum for any particular skill training then a formal curriculum may be approved by the state.

All the standard curriculum for any training course under EST&P should be designed in consultation with a competent technical agency such as Technical University / College.

Directorate of Technical Education, National Skill Development Corporation, Sector Skill Councils of NSDC, etc. Designing of curriculum should not be left on the Skill Training Provider alone. All the courses should be approved by the NULM in consultation with any of the above agencies so as to ensure standardization and job opportunities for trainee. The Training course modules should be in accordance to local industry demand and acceptable at state / national level. The course curriculum should be designed to ensure certification of industry standards.

3.3 Soft Skills

In addition to the basic skill training on specific skills, the training course modules should have the following modules integrated into the course curriculum:-

- Soft Skills – Basic Communication skills (in English and local language), Basic computer operations (for courses other than computer training), Professional Etiquettes, etc.
- Financial Literacy:- Orientation and awareness on savings, credit, subsidy, remittance, insurance and pensions.
- Other government schemes – the candidate may also be provided information regarding other government schemes (including other components of NULM) and entitlements for poverty alleviation. The ULB should facilitate access to such schemes and entitlements for the urban poor.

The above inputs will also assist the candidate on a longer and sustainable basis.

3.4 Course Duration

It is preferred that the course duration for all the skill training programmers under EST & P would be minimum 3 months (approximately 400 hours of the technical training plus 30 hours for soft skills training) for the cost of Rs. 15,000/- (Rs. 18,000/- for North East and Special States) per candidate. However, depending on the trade and course module, SULM may define trainings with different duration. If the MES Curriculum is being followed, then the basic and advanced level skill training courses may be combined to provide 430 hours training

5. Transition of community structures under SJSRY TO NULM:

Under the "Urban Community Development Network" (UCDN) component of SJSRY, the community structures like "Neighbourhood Groups" (NHGs), "Neighbourhood Committees" (NHCs) and "Community Development Societies" (CDS) have been formed. The SHGs/Thrift & Credit Societies were also allowed to be set up separately. The SHGs/Thrift & Credit Societies formed under SJSRY may continue to function; however, the NHGs will be encouraged to transform into SHGs and do thrift and credit activities. Similarly, NHCs and CDS can gradually migrate to community structures envisaged under NULM.

The Resource Organization engaged by the State/ULB will work with community structures formed under SJSRY to bring them in line with the three tiered structure of NULM. Also, the existing SHGs/Thrift & Credit Societies/NHGs formed under SJSRY will be given support for bank-linkages and training and capacity building etc. by the Resource Organization.



7. Utilization of fund position for 2017-18.

OB as on 01.4.2017	150712.00
Receipt	502000.00
Total	652712.00
Utilize	230144.00
CB as on 31.03.2018	422568.00

8. MONITORING & EVALUATION

The SMMU at the State level and CMMU at the ULB level will closely monitor progress of activities / targets under this component, undertake reporting and evaluation. The SULM and the ULB/executing agencies shall report timely progress in formats prescribed by the Mission Directorate from time-to-time, indicating the cumulative achievement monthly and up to the end of the quarter, and key issues in implementation.

In addition, under NULM, a comprehensive and robust IT-enabled MIS will be established for tracking targets and achievements. States and ULBs will be required to submit their progress reports online and may also use this tool to monitor progress on the ground. In the spirit of proactive disclosure of information and ensuring transparency under NULM, key progress reports under SM&ID will also be made available on the public domain in a timely manner.

The above mentioned scheme is going on as per the guideline and instruction given by the Govt. of India.

PARA: 18 MISCELLANEOUS

18.1 - STAFF POSITION

The present staff position of Patnagarh NAC for the year 2017-18 are furnished below.

Sl.No.	Major Head	LFS Cadre		vacancy	Total	Remarks
		Sanction ed strength	Employees in position			
1	Executive Officer	1	1	nil	1	
2	Head Asst.	1	nil	abolished	nil	
3	Senior Asst.	2	nil	2	2	
4	Junior Asst.	3	2	1	2	
5	Community Organizer	1	1	nil	1	Consolidated
6	Junior Engineer	2	2	nil	2	Contractual
7	Accountant	1	1	nil	1	Contractual
8	MIS Computer Computer Programmer	1	1	nil	1	Contractual
9	ACP-Cum-DEO	1	1	nil	1	Contractual
Non-LFS Cadre						
Sl.No.	Major Head	Sanction ed strength	Man in position	vacancy	Total	Remarks

2

1	Tax Collector	2	2	nil	2	
2	Light Moharir	1	1	nil	1	
3	Octroi Moharir	9	9	nil	9	
4	Octroi Peon	9	8	1	8	
5	Office Peon	4	4	nil	4	
6	Office Peon	1	1	nil	1	Consolidated
7	Sweeper	4	4	nil	4	
8	Sweepress	4	3	1	3	
9	Driver (Tractor)	1	1	nil	1	Work charge
10	Sweeper	2	2	nil	2	Work charge
11	NMR/DLR	2	2	nil	2	Daily Wages Basis

18.2 - Non collection of renewal fee of Mobile tower

As per the information submitted by the local authority the list of Mobile Tower (Company Wise) installed within the area of Patnagarh NAC as on 31.03.2018 is furnished below. During verification it was observed that no separate file and records are being maintained by the NAC for regulation of installation of telecom tower in NAC area as per the guide line issued vide L.No.-6875-Gen(TEL) -06/2007-com-16.8.2007 & read with L.No.- 35742-1357-150010/2013/H & UD -17.12.2013. On comparison to the figure as could it be made available to audit from the Accountant Cash Book and BD register it was found that the NAC dues towards License Fees, Renewal fee & Penalty charges as required to impose as per the guideline issued in the above mention letter have not been collected for which NAC was put to sustain the loss in terms of non collection of renewal charges from the owner of mobile tower.

The Details list of defaluter Mobile Tower under the jurisdiction of Patnagarh NAC for the year 2016-2017 are furnished below.

Sl No.	Name of the land owner	Name of the tower	Renewal Fees for the year 2017-18	Fine @ Rs.10000- per month	Total
	Kantilata Meher, Patnagarh (Meherpara)	Reliance Tower	1000	120000	121000

Hence once again requested to the local authority to take necessary Steps for collection of Rs.121000.00 from Reliance mobile Tower company and produce before next audit.

On issue of objection memo the local authority reply that steps would be taken to recover the amount till than Rs. 121000.00 is kept under objection.



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

19.1 - Non Remittance of Govt due

As per Rule-6 of OTC Vol-1 read with Rule 4 of OGFR stipulates that all moneys received or realised on behalf of Government should be deposited in full into treasury/ with the competent authority within three days of its receipt/realization. Retention of Government money/revenue outside the treasury is irregular and not permissible.

The position of Govt revenue namely VAT/royalty/cess/Income tax for the 2017-18 is given below

Particulars	Royalty	VAT	CESS	Income Tax	Total
Dues outstanding for deposit at the beginning of the year 01.04.17	186038	136603	80491	62647	465779
Amount collected during the year 17-18	930275	212327	326965	410521	1880088
TOTAL	1116313	348930	407456	473168	2345867
Amount Remitted during the year 17-18	392941	328023	161368	435054	1317386
Balance to be remitted at the end of the year 31.03.2018	723372	20907	246088	38114	1028481

Due to non-remittance of above balance the very purpose of collection of revenue of the Govt. is being defeated, and the ways and means of state as well as central Govt. exchequer are being affected unscrupulously. Retention of Govt. dues without sufficient cause is considered highly irregular. Hence such practice should be abandoned henceforth.

However immediate steps may be taken to remit the above balance of Rs..1028481.00 into Govt. treasury on proper heads, and compliance reported to audit. Till than Rs .1028481.00 is kept under objection.

19.2 - Position of EMD / SD

When deductions (usually percent of the total amount of the bills) are made from the bills of contractors as security for the due performance of work in the future , the bills shall be passed by the Executive Officer and or the Chairman or the Vice-Chairman , as the case may be ,for the full amount due on the bill but only the net amount paid shall be entered in the cash book (Form No.XIV). The amount deducted as security shall be brought on to the municipal accounts and into the ledger of deposits (Form No.XX) through the medium of the 37 / 39 adjustment register , in the manner described in Rules 133 and 134. But the Deposit Ledger which should have been maintained as per Rule 142 of OMRules 1953 , but not maintained

The position of deposits i.e. EMD and SD for the year 2017-2018 is furnished below.

Particulars	Amount	Remarks
Balance as on 01.4.2017	7598812.00	

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Deduct during the year 2017-18	1919231.00	
Total	9518043.00	
Refunded during the year 2017-18	1181170.00	
Balance to be refunded at the end of the year 31.3.2018	8336873.00	

PARA: 20 RESULT OF AUDIT AND CONCLUSION

20.1 - Remarks On Maintenance of Account
As a result of this audit a total sum of Rs. 4159201.15 is held under objection and Rs 17445.00 has been suggested for recovery and Rs 9018.00 has been recovered on the spot.
20.2 - GENERAL REMARKS
<p>The state of maintenance of books of account records and registers of this NAC is not satisfactory. Several important account registers such as UC Register, Grant-in-Aid Register, SD Ledger, Outstanding Advance Register, Abstract Register of Receipts and Expenditure, Project-cum-Works Register and Assets Register etc. have not been maintained. Hence more efforts should be taken by the local authority to bring a reform in the state of maintenance of account records and register.</p> <p>Huge amount of grants are remained unspent vis-a-vis pending utilisation certificate for submission in scheme fund due to lack of internal control over financial management. In view of above facts the maintenance of accounts and records cannot said to be satisfactory.</p> <p>Recommendation</p> <p>The local authority may :</p> <p>Ensure that bank reconciliation statement be worked out after end of every financial year to maintain accounts with a great deal of accuracy.</p> <p>Ensure prompt and effective action for recoupment of outstanding advance to avoid temporary misappropriation of Govt money.</p> <p>Ensure preparation of annual budget keeping in view the actual requirement of funds for the developmental projects.</p> <p>Ensure that grants be spent and UC be submitted in due time.</p> <p>Ensure that funds shall not be diverted from one scheme to another.</p> <p>Ensure financial discipline and strengthen the monitoring mechanism.</p> <p>Ensure that as per scheme guidelines, the assets created out of GOI grants shall be duly entered into the asset-register showing the details of the source of fund, date of commencement and completion of works and handing over of the assets,etc.</p> <p>Ensure that Govt dues be remitted to proper quarter within three day of its receipt or realiation to maintain fiscal balance and fiscal space available for appropriate spending to accelerate growth and development</p>

As a result of this Audit transactions involving a sum of Rs 4159201.15 are held under objection which include an amount of Rs 17445.00 suggested for recovery. Besides, a sum of Rs 9018 was recovered at the instance of audit. The details are furnished in the following tables.

Result Of Audit

SI No	Paragraph No.	Amount suggested for recovery(In Rs:)	Amount kept under objection including amount suggested for recovery (In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	5.1	0.00	208104.29	0.00	0.00	0.00	
2	8.1	0.00	1145000.00	0.00	0.00	0.00	
3	13.2	0.00	59800.86	0.00	0.00	0.00	
4	14.1	0.00	137960.00	0.00	0.00	0.00	
5	14.2	0.00	43837.00	0.00	0.00	0.00	
6	15.1	4243.00	4243.00	4243.00	0.00	0.00	
7	15.2	2416.00	2416.00	2416.00	0.00	0.00	
8	15.3	786.00	786.00	786.00	0.00	0.00	
9	15.4	10000.00	10000.00	10000.00	0.00	0.00	
10	15.5	0.00	1397573.00	0.00	0.00	0.00	
11	18.2	0.00	121000.00	0.00	0.00	0.00	
12	19.1	0.00	1028481.00	0.00	0.00	0.00	
Total		17445.00	4159201.15	17445.00	0.00	0.00	

Spot Recovery

SI No	Ref to Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	6/OM Page No 14	19/ Book No 508	2019-02-26	9018	Jayadev Dash PDS I/C
Total				9018	

Audit Certificate

Certified that the accounts of Patnagarh N A C for the financial year 2017-2018 have been covered under audit and found correct subject to the comments / remarks offered in the foregoing paragraphs .

District Audit Officer
Local Fund Audit,BOLANGIR