

**OFFICE OF THE DISTRICT AUDIT OFFICER
LOCAL FUND AUDIT, CUTTACK.**
E-mail I D: daokatak@gmail.com Phone No: 0671-2366660,2366661


Memo No. 1125 /L.F.A.(CTC) Dt. 07.03.19

Copy of A.R. bearing A.R.No.390457/2018-19 for the year 2017-18 consisting (58 pages) submitted to the Executive Officer, Banki NAC, Dist-Cuttack, for information. He is requested to send the compliance Report in triplicate & in Broad sheets along with a copy of the resolution of the Municipality approving the replies therein within two months from the date of receipt of this report. The report is also available in the Public domain of the official website of DLFA-lfaodisha.ori.nic.in.


District Audit Officer
Local Fund Audit, Cuttack.

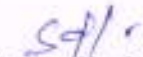
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Copy forwarded to the Secretary to Govt. H&UD Department, Odisha, Bhubaneswar/Collector, Cuttack/ Director of Local Fund Audit, Treasury Bhawan, Kharvelanagar, Unit-III, Bhubaneswar/A.G.Odisha, Bhubaneswar for information and necessary action.


District Audit Officer
Local Fund Audit, Cuttack.

Memo No. _____/L.F.A.(CTC) Dt. _____

Copy to Audit Report file.


District Audit Officer
Local Fund Audit, Cuttack.

LOCAL FUND AUDIT, CUTTACK, ODISHA

CATEGORY : N A C

Audit Report No : 390457/AR/2018-2019-CUTTACK

PARA: 1 TITLE SHEET

1	Name of the Institution :	Banki N.A.C.
2	Year of Accounts under Audit :	2017-2018
3	Name of the Local Authority during the year of A/Cs :	Satyabrata Mantry, Executive officer.
	Name of the Local Authority at the time of Audit :	Satyabrata Mantry, Executive officer.
4	Duration of Audit :	25-05-2018 To 30-06-2018 (Mandays Consumed - 22.5)
5	Name of the Auditors :	DILLIP KUMAR ROUT - Lead Auditor(25-05-2018 to 30-06-2018) SRI YUDHISTHIR SAHU - Auditor(25-05-2018 to 30-06-2018)
6	Name of the Reviewing Officer :	KHIRODENDU JAGATDEV(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	01-11-2018
8	Entry Conference Date :	23-05-2018
9	Exit Conference Date :	24-01-2019
10	Name of the District Audit Officer :	PRAMOD KUMAR ROUT
11	Date of approval of report by District Audit Officer :	26-02-2019

Para 1.1 - Demographic information:-

Name Of The Institution	Area In sq Km	No of Ward	Population of the Institution					Female Population	Male Population
			S.C	S.T	Minority	General	Total		
Banki N.A.C.	6.22	17	3644	25	0	13852	17521	8317	9204



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N.A.C., BANKI

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	Ambulance receipt Book	24-05-2018	1	1	Stock register page No-55	
2	User fees receipt Book	24-05-2018	91	91	Stock register page No-51	
3	Service fees receipt	24-05-2018	49	49	Stock register page No-63	
4	Holding tax receipt Books	24-05-2018	16	16	Stock register page No-66	
5	Service Postage Stamps	24-05-2018	1766	1766	Stock register Page No-16	
6	Miscellaneous Receipt Books	24-05-2018	106	106	Stock register Page No-7	
7	Measurement Books	24-05-2018	7	7	Stock register Page No-65	
8	Cash in hand	24-05-2018	0	0	Page No-32 of Subsidiary cash Book	
9	Parking Fees receipt Book	24-05-2018	159	159	Stock register page No-22	

Comments

As required under Rule 20(a) of Odisha Local Fund Audit Rules, 1951, the physical verification of hard cash, unused receipt books, unused Measurement Books, Cycle and rickshaw token and public postage stamps etc. has been conducted on the date of commencement of audit i.e. on 24.05.2018 before transaction and the result of verification is furnished above. The result of physical verification found tallied with Cash Book and Stock Register.


 Signature of
 B.A.C. BAHU

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	Demand and Collection Register	Rule 178	Form B
11	Stock Register of Stationery	Rule 172	Form No. XLIV
12	Stamp Account	Rule 172	Form No. XLIV
13	Register of Grants	Rule 80	Form No. XLII
14	Daily Collection Register	Rule 171	Form No. XL
15	Arrear List	Rule 170	Form No. XXXIX
16	Ledger of Lessees	Rule 170	Form No. XXXVIII
17	Miscellaneous Receipts	Rule 157	Form No. XXXIV
18	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
19	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
20	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
21	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
22	Deposit Ledger	Rule 142	Form No. XX
23	Register of Outstanding Advances	Rule 140	Form No. XIX
24	Advance Ledger	Rule 136	Form No. XVIII
25	Register of adjustments	Rule 132	Form No. XVII
26	Abstract Register of Expenditure	Rule 129	Form No. XVI
27	Abstract Register of Receipts	Rule 129	Form No. XV
28	Cash Book of the municipality	Rule 125	Form No. XIV
29	Salary Bills	Rule 97	Form No. IX
30	Order Book	Rule 96	Form No. VIII
31	Register of Bills	Rule 96	Form No. VII
32	Challan	Rule 87	Form No. VI
33	Subsidiary Cash Book	Rule 128 A	Form No. V-A
34	Budget Estimate	Rule 74	Form No. I
35	Abstract of the Budget Estimate	Rule 74	Form No. I-A
36	Schedule for the Budget Estimate	Rule 77	Form No. III
37	Cashier's Cash Book	Rule 81	Form No. V

B : List of Records/Registers not Produced to Audit

Sino	List Records/Register	Rules	Form No
1	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
2	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
3	Loan Register	Rule 149	Form No. XXVII

C : 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 Distrainted 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


Executive Officer
N.A.C., BANKI

7	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
8	Progress statement of collection of taxes	Rule 200	Form N
9	Register of writes off of demands	Rule 190	Form J
10	Tax Receipt Form	Rule 188	Form I
11	Arrear Demand Register	Rule 187	Form H
12	Mutation Register	Rule 184	Form G
13	Register of Petitions	Rule 183	Form F
14	Form of appeal petition	Rule 183	Form E
15	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(i)
16	Assessment List	Rule 177	Form A
17	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
18	Register of Interest Bearing Securities	Rule 147	Form No. XLI
19	Jamabandi Register	Rule 170	Form No. XXXVII
20	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
21	Register of Lands	Rule 160	Form No. XXXV
22	Stock account of License Number Plates	Rule 155	Form No. XXXII
23	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
24	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXX
25	Establishment Audit Register	Rule 146	Form No. XXV
26	Register of outstanding deposits	Rule 143	Form No. XXI
27	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
28	Permanent Advance Account	Rule 108	Form No. XII
29	Periodical Increment Certificate	Rule 99	Form No. XI
30	Absentee Statement	Rule 97	Form No. X
31	Subsidiary account of special taxes	Rule 79	Form No. -IV
D : List of Records/Registers not Required			
S.No	List Records/Register	Rules	Form No
1	Register of Investments	Rule 148	Form No. XXVI

Comments

Para : 3.1 -> Consequence of Non-Maintenance of Prescribed Records and Registers:-

The consequence of non maintenance of the same has been given below

1. Deposit Ledger [Rules – 142] :

Due to non-maintenance of the same, the details of deposit along with refund of S.D / EMD etc could not be verified.

2. Register of Outstanding deposits [Rules – 143] :

Due to non-maintenance of the same, the actual amount of deposits i.e. S.D / EMD to be refunded to the deposit holder could not be found out.

3. Register of Investment [Rules – 148] :

Due to non maintenance of the same, the actual amount of money invested by the Municipality could not be worked out.

4. Register of Lands [Rules – 160] :

Due to non-maintenance of the same, the actual landed properties of the Municipality could not be established.

5. Progress statement of collection taxes [Rules – 200] :

Due to non-maintenance of the same, the monthly, quarterly and half yearly percentage of collection of taxes can not be found out. Hence, the local authority will be in dark

about collection of taxes in real time basis. As a result, appropriate steps can not be taken by the local authority to accelerate the collection of taxes.

6. Loan Register [Rules – 149] :

Due to non-maintenance of the same, the actual amount of loan incurred by the Municipality can not be found out.

7. Assets Register :- [Rule – 70] :

One of the important register which was not maintained by this Municipality is that of Asset Register. This register is meant to record all the assets created during a particular year and handed over for public use. Non maintenance of such an important register makes it impossible to ascertain the number and nature of assets created and opened up for public utility. Regarding management and maintenance of such assets could not be ascertained the balance in the asset register.

The local authority is suggested for proper maintenance of the records and registers as indicated above as per provisions laid down in O.M. Rules for better improvement of accounting system in the institution.

Sl. No.	Description	Value
1
2
3

Sl. No.	Description	Value
1
2
3

Sl. No.	Description	Value
1
2
3
4
5
6
7
8
9
10


Executive Officer
N.A.C., BANKI

PARA: 4 FINANCIAL POSITION

Bank 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	4583916.800	68542123.15	114381291.15	58454486.90	31-03-2018	55926804.25	31-03-2018	55926803.31	0.94	
	GRAND TOTAL		4583916.800	68542123.15	114381291.15	58454486.90		55926804.25		55926803.31	0.94	

Comments

Details of Closing Balance (Cash Book wise) as on 31.03.2018:

Sl No	Particulars	Amount(Rs)	Remarks
1	Accountant Cash Book	55721250.31	
2	Subsidiary Cash Book	205553	
	Total	55926803.31	

Details of closing balance as on 31.03.2018-

cash in Hand as per subsidiary cash Book	205553.00
cash in Bank postal pass books	31175831.76
In P/L account treasury	24545418.55
Total	5,59,26,803.31

Para-4-1-Non maintenance of Cash Book under Double entry Accrual based accounting system-(DEBAS)

It may be stated that adoption of modern accrual based, double entry system of accounting was first mandatory for ULB level reform set by the Govt. of India. The State Govt. decided to introduce double entry system of accrual based accounting in ULBs across the state during 2007. The Odisha Municipal (Accounts) Rules, 2012 was notified in July 2012 requiring all Municipalities to maintain their Books of Account on accrual basis under the double entry system of book keeping and data based formats. Govt. in H & UD Department has instructed all the ULBs for implementation of Double Entry Accrual Based Accounting System (DEABAS) as per Odisha Municipal Accounts Rules 2012 in ULBs w.e.f. 01.10.2013. But the same has not yet been practically implemented in this Municipality.

Para-4-2-The Position of Asset and Liability of the Municipality for the financial year 2017-18 furnished below:-

Liquid Assets and Liabilities					
Sl no	Liabilities	Value		value	Remarks
1	Unspent balance of Grants	52513178.50	cash in hand bank	31381384.76	
2	Loans refundable	1148328.00	Investment	0	
3	Un remitted Govt dues(Royalty, vat, Cess)	957165.20	Advance recoverable	3145397.53	
4	Refundable deposit	0.00	loan recoverable	0	
5	unpaid salary and wages	843654.00	outstanding taxes rents recoverable	856454	
6	contribution payable	0.00	P/L account (cash in treasury)	24545418.94	
7	Energy chargeable	3200000.00			
8	Name of the liquid liabilities to be specified	0.00	amount surcharged	0	
9	Total	58662325.70	Total	59728655.23	
10	Assett over liability	1066329.53	Liability over assets	0	
11	Grand Total	59728655.23	Grand Total	59728655.23	

Para-4-3- Budget-Budget- [Section 104 to 110 of O.M. Act, 1950 and Rules – 74 to 80 of OM Rules, 1953] :

1 Section-104 :- **Presentation and sanction of budgets** :- At least two months before the close of year, the Chairperson shall present before the N.A.C. a complete accounts of its probable receipts and expenditure for the following financial year together with the actual of the current year.

2 Section-107 :- **Sanction of budget estimate** :- After expiry of 14 days (since presentation before the Municipality shall sanction the estimate and submit forth with to the State Government.

3 Section 109 :- Provides for approval of the budget estimate by the State Government.

Improper and unrealistic Budget :-

The Municipal Council in its general meeting held on 11.03.2016 has approved the Original Budget estimate for the financial year 2016-17 and resolved to move to the Govt. through P.D., DUDA, Cuttack for approval of Budget. The Budget estimate for the year 2016-17 was sent to the P.D., DUDA, Cuttack vide letter no.371 dt.26.03.2016 for onwards transmission to Govt. for approval. The Budget estimate was submitted to the Director Municipal Administration vide letter no. 1272 dtd 29.03.2016 by the P.D., DUDA, Cuttack for approval. However the approval of Budget by the Govt. in H & UD Department has not yet been received by the N.A.C.

Statement showing the details of receipts of Banki NAC for the year 2017-18

Sl No	Head of Account	Receipt during 2016-17	Receipt during 2017-18	Remarks
1.00	2.00	3.00	4.00	5.00
I	TAXES:-			
	Holding Tax	1,041,897.00	932,343.00	
	Light Tax	833,504.00	539,306.00	
	Water Tax	208,376.00	-	
	Service Tax	33,220.00	7,419.00	
	Total:-	2,116,997.00	1,479,068.00	
II	LICENSE FEE AND OTHER FEES:-			
	User Fees	75,720.00	43,000.00	
	D & O Charges (u/s 290)	47,563.00	5,700.00	
	Trade Licence	27,100.00	145,900.00	
	Approval of building plan (Scrutiny fee)	3,000.00	11,700.00	
	Telephone Tower license fees(installation/Renewal fees)	21,000.00	-	
	Hoarding License fees.	2,400.00	2,800.00	
	Cart and Carriage Tax	-	-	
	Unauthorised Construction	1,910.00	-	
	Total:-	176,293.00	209,100.00	
III	REVENUE DERIVED FROM MUNICIPAL PROPERTIES:-			
	Shop Room rent	583,855.00	605,194.00	
	Water tanker charges	-	101,250.00	
	Platform and ground rent	-	-	
	Parking Fees	95,374.00	54,700.00	
	Hire charges of Water tanker	141,350.00	101,250.00	

Executive Officer
N.A.C.,BANKI

	Park & Lease of pond/Park etc.	34,905.00	27,560.00	
	Hire charges of Cess Pool	50,000.00	9,700.00	
	Total:-	905,484.00	899,654.00	
	TOTAL OWN INCOME(I to III):-	3,198,774.00	2,587,822.00	
IV	GRANTS AND OTHER CONTRIBUTIONS:-			
	Octroi Compensation Grant	13,178,000.00	-	
	Road maintenance	2,007,000.00	2,007,000.00	
	Entry tax	-	14,335,000.00	
	MPLAD	525,000.00	450,000.00	
	MLALAD	1,100,000.00	-	
	Census	9,000.00	-	
	Pension of LFS/Non LFS employees	1,000,000.00	1,176,946.00	
	Devolution fund	4,840,000.00	4,796,000.00	
	Maint. Of Non residential building	316,000.00	316,000.00	
	Creation of capital Assets and its maintenance	960,000.00	949,000.00	
	Hon SA/TA/DA	62,437.00	54,750.00	
	14th FCA(Basic Grant)	6,800,000.00	7,535,000.00	
	MVT	1,294,000.00	1,410,000.00	
	NULM	190,000.00	872,000.00	
	Swachha Bharat Mission	-	11,139,500.00	
	Bhagabat Tungri	10,000.00	-	
	Arrear Pension and Basic Service	2,548,000.00	5,404,054.00	
	Maintenance of Capital Assets	457,000.00	453,000.00	
	Total:-	35,746,437.00	50,898,250.00	
V	MISCELLANEOUS:-			
	SCP	450,000.00	225,000.00	
	IGNOAP/SOAP/MBPY	8,318,800.00	7,554,900.00	
	Audit Recovery	49,759.00	247,733.00	
	Interest Money	1,431,600.00	1,292,605.00	
	Income Tax	231,862.00	148,113.00	
	Royalty	393,954.00	372,086.82	
	VAT	715,409.00	784,808.32	
	Cost of EGB	29,436.00	6,878.95	
	ORHDC Loan of Staff	132,297.00	-	
	KGB Loan	324,000.00	218,800.00	
	LIC of Staff	403,449.00	393,308.00	

Executive Officer
N.A.C. BANK

Executive Officer
N.A.C. BANK

	Education Cess	6,943.00	5,835.00	
	CPF of staff	839,248.00	711,863.00	
	PT of staff	73,850.00	83,750.00	
	EPF of staff	475,993.00	454,918.00	
	Harishcandra Sahayata	-	323,000.00	
	Pension contribution	353,483.00	364,826.00	
	Cost of Tender papers	449,440.00	299,040.00	
	Other Miscellaneous receipts	-	52,430.00	
	Labour Cess	155,968.00	148,111.06	
	Marriage Certificate	1,000.00	1,500.00	
	NFSA	-	22,240.00	
	National Population Register. (NPR)	58,500.00	-	
	Add previous Reconciliation difference	133,000.00	-	
	Total:-	14,584,011.00	13,711,746.15	
VI	EXTRA ORDINARY AND DEBTS:-			
	Adjustment of advances	8,040,400.00	334,500.00	
	SD & EMD	845,596.00	1,009,805.00	
	Total:-	8,885,996.00	1,344,305.00	
	TOTAL OF RECEIPTS:-	62,415,218.00	68,542,123.15	
	ADD Opening Balance at the beginning of the year	47,366,859.55	45,839,168.00	
	GRAND TOTAL	109,782,077.55	114,381,291.15	


Statement showing the details of expenditure of Banki NAC for the year 2017-18

Sl No	Head of Account	Expenditure during 2016-17	Expenditure during 2017-18	Remarks.
I	GENERAL ESTABLISHMENT:-			
	Salary of General Establishment	6,790,211.00	6,721,768.00	
	TA	173,920.00	164,042.00	
	RCM	0	248030	
	Pension Contributions	0.00	364,826.00	
	Grade pay arrear	0	167065	
	Wages of DLR	0.00	0.00	
	Total:-	7,012,431.00	7,863,731.00	
II	TAX & COLLECTION ESTABLISHMENT:-			
	Salary	3,106,970.00	3,353,088.00	
	CA	0.00	0.00	


Executive Officer
N.A.C., BANKI

Executive Officer
N.A.C., BANKI

	RCM	0	0
	Contingency	0	48174
	Wages of DLR	0.00	0.00
	TA	0.00	0.00
	Total:-	3,106,970.00	3,401,262.00
III	PUBLIC HEALTH & SANITATION:-		
	Salary	1,903,595.00	1,912,284.00
	Wages of DLR	675,793.00	0.00
	RCM	0	0
	Cost of Sanitation materials	0	1000000
	Fuel and Spare parts of Tractors	210,041.00	164,782.00
	Repair of Cess Pool	0.00	23,701.00
	Payment of Road Tax of Vehicles	12000	0.00
	solid waste management	0	8,787.00
	Purchase of Acqua guard	0	51500
	Sanitary works	292,406.00	196,059.00
	Total:-	3,093,836.00	3,357,113.00
IV	PUBLIC SAFETY:-		
	Salary of Staff	923,518.00	1,003,006.00
	Energy Charges	1,623,914.00	1,000,000.00
	Water Dues	255000	50,000.00
	Fitting charges	34128	0.00
	Purchase of Electric materials	3,089,415.00	458,056.00
	Repair of Computer.	10100	0.00
	Total:-	5,936,075.00	2,511,062.00
V	MEDICAL:-		
	Wages of DLRs	0	0
	Health Camp	0.00	0.00
	Total:-	0.00	0.00
VI	PUBLIC CONVIANCE AND WORKS:-		
	Salary of Staff	1,449,848.00	1,467,055.00
	Road Developments	2,057,465.00	0.00
	Special Development Plan	208049	360,517.00
	Revolving Fund	0	480000
	MPLAD	1,044,729.00	0.00
	13th FCA(general performnace)	0.00	307,157.00
	Maintenance of non residential buildings	245,234.00	79,194.00
	PMAYExpenditure	0.00	17,400.00
	UAC (Urban Asset Creation)	1,466,888.00	


Executive Officer
N.A.C., BANKI

Electrification(13th FCA NRB)	0	724341	
MLALAD	985,404.00	398,565.00	
SPF	93,115.00	350,245.00	
Children Park	500000	0.00	
Non Remunerative	58500	0.00	
MVT	767,662.00	1,065,171.00	
13th FCA(Road & Bridges)	1,095,793.00	1,898,883.00	
Construction of road	0.00	337,990.00	
14th CFC	3,610,077.00	2,849,607.00	
Devolution Fund	1,989,147.00	3,848,547.00	
SWM	232,139.00	0.00	
NWFF(Urban Housing scheme for poor)	190,000.00	0.00	
PBI	1,219,318.00	0.00	
Swachha Bharat Mission(SBM)	1,496,082.00	4,640,547.00	
SHSL	0.00		
Public Toilet	0.00	18,300.00	0
Odisha Urban Livelehood Mission(OULM)	795,775.00	92,400.00	
Maintenance of Capital Assets	457000		453,000.00
Pension of LFS/Non LFS Staff	3,652,620.00	1,176,946.00	
Harischandra Sahayata	194,000.00	273,000.00	
Bhagabat Tungl.	15000	0.00	
Rem. /DA/SF of non officials	70500	50,400.00	
Total:-	23,894,345.00	20,869,265.00	
VII PUBLIC CONVEYANCE:-			
Maintenance of ambulance	0	0	
Jala Chhatra	43,140.00	56,440.00	
Total:-	43,140.00	56,440.00	
VIII PUBLIC INSTRUCTION:-			
Wages of Gardener	0	0	
RCM	0	0	
Grants to public instructions	0	0	
Total:-	0	0	
IX MISCELLANEOUS:-			
SOAP/NOAP/MBPY etc.	7,058,000.00	7,260,000.00	
LIC Deposit	403,449.00	393,308.00	
ORHDC Loan deposit	132,297.00	46,420.00	
KGB Loan deposit	324,000.00	218,800.00	
surcharge	0	4394.15	
CPF deposit	839,248.00	711,863.00	


Executive Officer
N.A.C.,BANKI

purchase of printer/fax	0	58000	
Income Tax deposit	257,323.00	148,113.00	
independence day observation	0.00	4,500.00	
Repair of Generator and tractor	0.00	19,356.00	
Festival expenses	0.00	10,068.00	
Awareness of adhar	0.00	2,700.00	
observation of childrens day	0.00	62,715.00	
Arrear water dues	0.00	200,000.00	
Arrear electric due	0.00	1,000,000.00	
Arrear DA	0.00	144,593.00	
Hon of NFSA	0.00	22,240.00	
Observation of LSG	0.00	64,787.00	
purchase of almirah	0.00	5,000.00	
Purchase of Diary	0.00	14,979.00	
Repair of water tanker	0.00	3,680.00	
VAT/OST	727,029.00	228,759.00	
Royalty	393,952.00	372,028.00	
Advertisement	208,752.00	183,824.00	
Renovation of well	0.00	160,000.00	
purchase of AC and FAN		89,590.00	
E-Tendering	0	40000	
filing charges	0	9538	
Stationary and Printing	98,731.00	25,511.00	
utkal diwas	0.00	5,000.00	
Printing		23,785.00	
repair of tractor		5,840.00	
Football tournament		5,000.00	
Bank Commission	3,580.49	4,226.75	
Construction of Road. (Own Fund)	219816	0.00	
service provider	0.00	1,684,212.00	
Legal expenditures	30,000.00	735,273.00	
Furniture	2500	0.00	
Misc Expenditure	137,622.00	0.00	
NFBS	100,000.00	160,000.00	
Gratuity	0.00	148,015.00	
Election Contingency	0.00	513,264.00	
Labour Cess	0.00	148,111.00	
Telephone	70,208.00	18,158.00	
EPF of staff	475,993.00	454,918.00	
PT	73,850.00	83,750.00	
Refund of APSD	0.00	51,833.00	

Awareness programme	7240	0.00	
Aadhar seedling charges	0	431000	
5th Pay Arrear of retired staffs	0	1240749	
arrear pension	0	886225	
Festival Advance	0	431000	
Refund of Hanschandra money	0.00	71,000.00	
National Population Register (NPR)	67500	0.00	
Pension contribution of Staff	353483	353,483.00	
Total:-	12,140,562.49	18,959,586.90	
X EXTRAORDINARY DEBTS:-			
Refund of SD/EMD	890,551.00	811,527.00	
Advance paid	7,825,000.00	824,500.00	
Total:-	8,715,551.00	1,636,027.00	
TOTAL OF EXPENDITURE:-	63,942,910.49	58,454,486.90	
ADD Closing Balance at the end of the year	45,839,167.06	55,926,804.25	
GRAND TOTAL	109,782,077.55	114,381,291.15	

The percentage of deviation between estimated Receipt and expenditure and actual receipt and actual expenditure is furnished below:-

Receipts			Expenditures		
As per Budget	Actual	% of variation	As per Budget	Actual	% of variation
166292000	68542123.15	41.21%	180781000.00	58454486.90	36.35%

Non Creation of Sinking Fund :-

As per Section 111 of O.M. Act, 1950, read with Rule 20(d) of O.L.F.A. Rules, 1951 a provision should have been made for creation of Sinking fund which is to be utilized for redemption of huge outstanding loan. But no such sinking fund have been created for redemption of outstanding loan amount of Rs 11,48,328.00 outstanding as on 31-03-17. Therefore the local authority is suggested for creation of sinking fund and reported to audit.

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


Executive Officer
N.A.C., BANKI

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

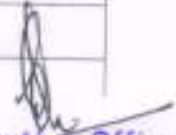
Bank/ N.A.C. - 2017-2018

Sino	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 THE BANKS	-	31-03-2018	56612218.12	31-03-2018	55721250.31	890967.81	
	GRAND TOTAL			56612218.12		55721250.31	890967.81	

Reconciliation

Bank Details-

SL NO	NAME OF THE BANK	ACCOUNT NO	DATE OF CLOSING BALANCE	CLOSING BALANCE IN PASS BOOK IN Rs. (A)	DATE OF CLOSING BALANCE IN BANK	CLOSING BALANCE IN BANK AS MENTIONED IN CASH BOOK (B) IN Rs. (B)	DIFFERENCE IN Rs. (A-B)	REMARKS
1	SBI BANKI	10802784885	31.03.2018	372293.54	31.03.2018	295797.26	76496.28	OWN FUND
2	SBI BANKI	35123625129	31.03.2018	3811	31.03.2018	3778.00	33.00	OULM
3	SBI BANKI	10802821932	31.03.2018	1781067.81	31.03.2018	1521279.50	259788.31	OWN FUND
4	SBI BANKI	10802784909	31.03.2018	438200.73	31.03.2018	438208.00	-7.27	IDSMT
5	SBI BANKI	10802786167	31.03.2018	1440527	31.03.2018	1440527.00	0.00	T F C
6	SBI BANKI	10802814084	31.03.2018	359161.24	31.03.2018	401430.00	-42268.76	OWN FUND
7	SBI BANKI	10802784148	31.03.2018	306388.5	31.03.2018	195406.50	110982.00	CURRENT A/C
8	OGB RANAPUR	40840-5718	31.03.2018	815260	31.03.2018	806117.50	9142.50	MLA LAD
9	OGB RANAPUR	40840-5712	31.03.2018	695418	31.03.2018	695418.00	0.00	MP LAD
10	OGB RANAPUR	40840-5715	31.03.2018	634360	31.03.2018	634360.00	0.00	MVT
11	OGB RANAPUR	40840-5848	31.03.2018	11752.6	31.03.2018	11752.60	0.00	DRM
12	SBI BANKI	30314036212	31.03.2018	3194	31.03.2018	3194.00	0.00	LFS PENSION
13	SBI BANKI	30314036619	31.03.2018	22707	31.03.2018	22722.00	-15.00	NON LFS PENSION
14	SBI BANKI	30467610615	31.03.2018	267568	31.03.2018	267568.00	0.00	R.D
15	SBI BANKI	31302339814	31.03.2018	1948.4	31.03.2018	2218.40	-270.00	TFC
16	CENTRAL BANK OF INDIA	3229911071	31.03.2018	2625503	31.03.2018	2625003.00	500	PUBLIC TOILET
17	CENTRAL BANK OF INDIA	3229907951	31.03.2018	484268.5	31.03.2018	479222.50	5046	UAC
18	AXIS BANK, GOPALPUR	91307-7963143	31.03.2018	327148	31.03.2018	327148.00	0	CC ROAD
19	SBI BANKI	33179608726	31.03.2018	17365	31.03.2018	17365.00	0	MISC A/C
20	AXIS BANK, GOPALPUR	9140-3263595	31.03.2018	358889	31.03.2018	358889.00	0	SPF
21	canara bank	412810-3262	31.03.2018	108966	31.03.2018	108966.00	0	


Executive Officer
N.A.C., BANKI

22	CENTRAL BANK OF INDIA	3460119103	31.03.2018	75253	31.03.2019	75253.00	0	STAFF SALARY
23	CENTRAL BANK OF INDIA	3475936627	31.03.2018	10939430	31.03.2018	10896383.00	43047	SBM
24	CENTRAL BANK OF INDIA	3522470891	31.03.2018	10385	31.03.2018	10385.00	0	BHGABATA TUNGI
25	CENTRAL BANK OF INDIA	3497146818	31.03.2018	204955.5	31.03.2018	204955.50	0	SDP
26	AXIS BANK GOPALPUR	9150-331452	31.03.2018	185825	31.03.2018	173831.00	11994	OWN FUND
27	AXIS BANK GOPALPUR	9150-9404	31.03.2018	1415688	31.03.2018	1415688.00	0	14 CFC
28	AXIS BANK GOPALPUR	9150-9428	31.03.2018	6145685	31.03.2018	6136985.00	8700	OAP
29	SBI BANKI	359348241	31.03.2018	27795.75	31.03.2018	27882.00	-86.25	NULM
30	PNB BANKI	764-9665	31.03.2018	59834	31.03.2018	59834.00	0	
31	AXIS BANK GOPALPUR	9170-59174	31.03.2018	1503576	31.03.2018	1503576.00	0	
32	UCO BANK DAMPADA	6842	31.03.2018	1657	31.03.2018	0.00	1657	FDR
33	UCO BANK DAMPADA	3921	31.03.2018	413732	31.03.2018	7503.00	406229	INCENTIVE
34	POSTAL AC	703275	31.03.2018	7186	31.03.2018	7186.00	0	
35	P/L A/C	8448	31.03.2018	24545418.55	31.03.2018	24545418.55	0	
				56612218.12		55721250.31	890967.81	

Reconciliation of difference between Cash Book balance and Pass Book balance-

As required under Rule 128 of O.M. Rules, 1953, the cash book shall be balanced at the close of every month and signed by the Executive Officer in token of the correctness of every entry made therein. The balance brought out shall be stated both in words and figures and shall be agreed with the balance shown in the pass book of the NAC. As per Letter No.15847/F., dtd. 27-04-13 of Finance Department, the DDO shall maintain a Register for reconciliation of receipts and disbursements of scheme funds. But no such reconciliation has been done either at the end of each month or end of the financial year.

G.O. No.590/F., XIV-AUD-1/2003.dtd.21-01-2009: speaks that the officers who are statutorily assigned with the task of reconciliation of discrepancies in bank accounts and analyzing closing balance, should perform their statutory responsibilities without leaving the Local Body accounts in a mess giving scope for diversion of Govt. Grants, misutilisation and misappropriation of public funds etc. Also warned the erring officers in charge of accounts need be brought to book. As per letter No.15847/F., dtd. 27-04-13 of Finance Department, the DDO shall maintain a register of reconciliation of receipts and disbursements of scheme funds. During the course of audit, it was revealed that bank reconciliation statement was not prepared and register of reconciliation was not maintained by the Accountant. The Executive Officer has not exercised any supervision over the duty entrusted to the Accountant for reconciliation of bank pass book with Cash Book. Due to non-reconciliation of bank pass book with Cash Book, the exact difference between the bank pass book and Cash Book could not be ascertained. Further, non-reconciliation of bank pass book with Cash Book may lead to mis-utilization, misappropriation and embezzlement of funds. If any mis-utilisation, misappropriation and embezzlement of funds detected in future, the Accountant and Executive Officer will be held responsible.

Bank reconciliation statement as on 31.03.2018-

1)Accountant Cash Book-NULM-SBI-359348241:-

Balance as per cash Book as on 31.03.2018	27882
Balance as per Pass Book as on 31.03.2018	27795.75
Difference	86.25

Reason of Difference-

Balance as per cash book	27882
Deduct-Bank charges not book in expenditure on 13.06.2017	86.25
Balance as per cash Book as on 31.03.2018	27795.75

2)Accountant Cash Book-IDSMI-SBI-10802784909:-

Executive Officer
N.A.C.,BANKI


Executive Officer
N.A.C.,BANKI

Balance as per cash Book as on 31.03.2018	438208
Balance as per Pass Book as on 31.03.2018	438200.73
Difference	7.27
Reason of Difference:-	

Balance as per cash book	438208
Deduct-Bank charges not book in expenditure as on 13.06.2017	7.27
Balance as per Pass Book as on 31.03.2018	438200.73
3) Accountant Cash Book-Public Toilet-CBI-3229911071-	

Balance as per cash Book as on 31.03.2018	26255503
Balance as per Pass Book as on 31.03.2018	26255003
Difference	500
Reason of Difference:-	

Balance as per cash book	26255003
Deduct-Excess OB taken of Rs 500	500
Balance as per pass Book as on 31.03.2018	438200.73
4) Accountant Cash Book-SBI-31302339814-TFC-	

Balance as per cash Book as on 31.03.2018	1948.40
Balance as per Pass Book as on 31.03.2018	2218.40
Difference	270
Reason of Difference:-	

Balance as per cash book	1948.40
Add-Difference in Opening Balance	270
Balance as per cash Book as on 31.03.2018	2218.40
Para-5-1-Maintenance of Flexi Account instead of Savings bank account for parking Funds centrally sponsored schemes. (Ref.Lr.No.35425/E, dtd.12.10.2012).	

As per Letter No.35425/F., dtd.12.10.2012 all Departments were asked to instruct the implementing agencies which are authorized to keep the Central share and state share or only Central share of the Centrally sponsored plan schemes in Bank A/cs to keep them in flexi accounts so that higher interest accruals from the scheme funds can be ploughed back to expand the coverage of the scheme without affecting fund flow for the scheme.

Para : 5.2-Parking of Municipal Fund in Postal Account :-

It is seen that a sum of Rs.7186.00 has been kept in postal account No-703275 rolling since long without transaction. The E.O is suggested to close the account and amount accumulated so far be transferred to bank account and compliance shown in the Exit conference.

Para : 5.3-Transaction not made through P.L. A/c. :-

As per Rule - 85(1) of the O.M. Rules 1953 all money receipt on the accounts of Municipality should be remitted to the Treasury immediately. But on scrutiny of the cash book of this Municipality it was noticed that all money except the grants received from H & U.D Department in shape of GIA are being parked in Banks other than Treasury. The local authority was asked to reply about such irregularities and compliance shown in the Exit conference.

Para : 5.4-Irregular operation of more than one bank account for one scheme :-

Commissioner-cum-Secretary of P.R Department has given instruction vide office order no.13000/P.R., dtd.25.07.2012 to minimize the no. of bank accounts as per as practicable by operating of one account for one scheme only. Vide para 3 of measures to streamline the financial management system issued by P.R Department vide Order No.14261 dtd.20th May 2013 the D.D.O. shall maintain and operate only one savings bank accounts for one scheme. The bank accounts shall be maintained in a Nationalized bank / Schedule Bank / Regional Rural Bank situated within the jurisdiction of D.D.O. Maintenance of multiple accounts against one scheme is strictly prohibited and will invite disciplinary action against the Officer concern.


Executive Officer
N.A.C.,BANKI

PARA- 6 STOCK POSITION

Banki N.A.C. - 2017-2018

Sino	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	0	0	0	0	0.000	0	

Comments

The stock position of the NAC for the year 2017-18:-

sl no	Particulars/items	Opening balance at the beginging of the year	Stock received during the year	Total	Loss damage during th eyear	closing balance of the stock at th end of the year	Reference Register page no
1	Steel almira		7	7		08	12
2	Steel table		16	16		017	13
3	steel chaair		56	56		057	
4	Water tanker		4	4		04	14
5	computer table		6	6		07	20
6	steel rack		4	4		04	42
7	computer chair		4	4		05	44
8	High back chair		1	1		01	45
9	Biometric finger print		1	1		01	50
10	camera		2	2		02	51
11	computer		4	4		06	51
12	Aquaguard		0	2	2	02	52
13	AC		0	2	2	02	52
14	Stabiliser		0	2	2	02	
15	printer		0	3	3	03	
16	Hydraulic ladder vehicle		0	2	2	02	
17	Trolley		0	1	1	01	
18	Dustbin		0	30	30	030	
19	battery for vehicle		0	2	2	02	

Non maintenance of Dead Stock Register properly:-

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

Executive Officer
N.A.C., BANKI

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 authorized by him. As per Rule 206 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 condition under which Government will hold the security and may ultimately refund or appropriate it.

Sl. No.	Particulars	Amount	Remarks
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[Handwritten Signature]

DIPAK JAIN

PARA: 7 INVESTMENT

Bank 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	01-04-2018	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 :

DETAILS OF CB ON INVESTMENT & Comments :

01)Fixed Deposits:-No investment has been made in this NAC during 2017-18 as verified and assured from the records and registers of the institution.

02)Loan Bonds:- From the last audit report it was revealed that investments made in shape of the following loan bonds are found uncashed. But the same werenot produced before audit for verification. The details are furnished below.

Sl. No.	Particulars of Investment	Amount	Date of maturity	Remarks
1	12 Years Govt. Loans Book No.A99927 / 24, 8.64 / 4%	500.00	25.08.1975	Not encashed till date
2	No.02003 / 28.3.75/3%	100	28.03.1987	Not encashed till date
3	No.02004 / 28-03-75/3%	100	28.03.1987	Not encashed till date
	Total	700.00		

Non-maintenance of Investment Register:-

As per Rule 148 of the Odisha Municipal Rules, 1953 a register of Government and other securities held by the NAC should be maintained. The total amount of the securities in custody of A.G.(O) should be verified along with custody of the Chairman himself. **Suggestion:-**The Executive Officer is suggested to keep the unutilized funds from own source without immediate utilization in fixed deposit for higher return towards interest money.


Executive Officer
N.A.C.,BANKI

PARA: 8 ADVANCE

Banki 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	2655397.53	824500.00	3479897.53	334500.00	31-03-2018	3145397.53	31-03-2018	3145397.53	0.00	
GRAND TOTAL			2655397.53	824500.00	3479897.53	334500.00		3145397.53		3145397.53	0.00	

Comments :

8.1 Non-Maintenance of Register of outstanding advance :-As required under Rules 140 of C.M. Rules 1953 a register of outstanding advance need be maintained. But in this NAC no such register has been maintained. However basing upon last audit report and the records made available to audit the following formation regarding advances are furnished below.

Due to non availability of Register of outstanding advance and advance ledger the figures have been derived from the previous audit report and different current cash books for the year 2016-17.

Details of Advance outstanding as on 31.03.2018 in		N.A.C is furnished below					
The Statement showing the details of the total advance outstanding as on 31.03.2018							
Sl.	Name designation of the of the advance holder	Vr.No / Date	Amount of Advance outstanding		Purpose of Advance	Name & Designation of the Officer responsible	Remarks.
			More than one year	Less than one year			
01	02	03	04	05	06	07	08
1.	Old Advances prior to 31.03.2014	Furnished in Previous Audit Report.	23,72,897.53	0.00	Furnished in Previous Audit Report.	Furnished in Previous Audit Report.	
	Total :		23,72,897.53				
2014-15							
1.	Jitendra Ku. Chhotaray, Advocate	1225/ 25.03.15	10,000.00	0.00	Advocate Fees	Nalinikanta Behera,	
2.	Nalinikanta Behera, Ex-E.O	1231/ 27.03.2015	1,00,000.00	0.00	Arrer Salary	-do-	
	Total :		1,10,000.00				
2015-16							
1.	Bijaya Ku. Raj, I/c SI	104/ 06.05.15	11,500.00	0.00	Treatment of self	-do-	
2.	Gangadhar Das, J.E	133/ 16.5.15	10,000.00	0.00	Repair & reconstructin of well	-do-	
3.	Pramoda Ku. Bank, TC	152/ 23.5.15	10,000.00	0.00	SECC - 2011	-do-	
4.	Jitendra Ku.chhotaray, Adv	568/ 10.9.15	5,000.00	0.00	Advocate Fees of Petition no-22/2011	Satyabrata Mantri,	
5.	-do-	812/ 31.10.15	10,000.00	0.00	Fogging and hire charges	-do-	
			46500				

Executive Officer
N.A.C.,BANKI

Statement showing the details of Advance paid and adjusted during the year 2017-18:-


Sl no	Name & Designation of the advance holder	Vr no and date of advance paid	Amount	purpose	Vr no and date of Adjustment	Amount	Outstanding Advance as on 31.03.2018
1	Sri Jitendra Chhotray, Advocate	28/11.04.2017	12000	court Fees	227/9.06.2017	12000	0
2	Milly Behera, JC	170/20.05.2017	2000	postage stamp	899/19.12.2017	2000	0
3	Madhusmita Das, CEO	343/4.07.2017	50000	Nulm camp	612/23.09.2017	50000	0
4	Jitendra chhotray, Adv	0/4.07.2017	10000	court Fees	-	0	10000
5	Dilip kumar Swain, je	409/24.07.2017	12000	special drive	586/21.09.2017	12000	0
6	Sanjay kumar Pradhan, TC	468/17.08.2017	91500	Dress material	1102/16.02.2018	91500	0
7	Sanjay kumar Pradhan, TC	513/24.08.2017	100000	Local self Govt	1100/6.02.2018	100000	0
8	Sanjay kumar Pradhan, TC	610/23.09.2017	20000	Duster, Glass	1314/24.03.2018	20000	0
9	Bijay kumar RAJ, Si	634/26.09.2017	15000	Observation of Dussehera, Kumar Purnima	816/29.11.2017	15000	0
10	Bijay kumar Raj	654/26.09.2017	10000	sanitation of NAC	833/10.11.2017	10000	0
11	Milly Behera, JC	900/19.12.2017	2000	Purchase of Postage stamp	-	0	2000
12	Dilip kumar Swain, je	1278/26.03.2018	350000	Aadhar Kendra	-	0	350000
13	Bijay kumar Raj, si	1288/27.03.2018	100000	One time settelement of road tax	-	0	100000
14	Rudra Pati, JC	1292/28.03.2018	50000	Function for SBM	-	0	50000
			824500			312500	512000

Outstanding advance for more than one year (surchargeable) :-

2016-17 (surchargeable)					
SL NO	Name of the advance holder	paid vr no/Date	Amount	Purpose of DAVANCE	Sanctioning authority
1	Pramod Ku. Barik, JC	247/ 23.06.16	14,000.00	Filing of Case	Satyabrata Mantri
2	Bijaya Ku. Raj, S i	1124/ 18.03.17	40,000.00	Payment of Tax,	do
3	-do-	1183/ 23.03.17	50,000.00	Oil Stiking & Fitness pollution,	do
		Total :	1,04,000		

No steps have been taken by the sanctioning authority to adjust the same in his incumbency even after lapsing of one year from the date of their sanction. As per D.L.F.A Letter No.15179 dtd 28.09.2013 the advances outstanding for more than one year are treated as loss of Govt. money. For the said loss both the sanctioning authority and employees to whom advances were paid are equally responsible. The outstanding advance for more than one year up-to 2015-16 have already been surcharged in the last audit report. Hence in the present audit the outstanding advance for the year 2016-17 amount to Rs. 104000/- is being surcharged.

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Year Wise Break up of Outstanding Advance:-			
Sino	Year Of payment of Advance	Amount	Remarks
1	Upto 2000-01	1174809.53	
2	2001-02	29134	
3	2002-03	48340	
4	2003-04	143219	
5	2004-05	41388	
6	2005-06	22987	
7	2006-07	31745	
8	2007-08	135937	
9	2008-09	50100	
10	2009-10	36000	
11	2010-11	102200	
12	2011-12	0	
13	2012-13	8838	
14	2013-14	548200	
15	2014-15	110000	
16	2015-16	48500	
17	2016-17	104000	
18	2017-18	512000	
	Total	3145397.53	

ADJUSTMENT OF OLD ADVANCES:-

Sl No	Name of the person	Advance paid and voucher no	Advance paid amount	Adjustment voucher No and date	Adjustment Amount
1	Pratulla kumar Pati	827/3.12.2016	4000	301/24.06.2017	4000
2	Miss Milly Behera	852/7.12.2016	2000	168/19.05.2017	2000
3	Prasanta kumarr Behera	1195/30.03.2017	15000	417/25.07.2017	15000
4	Prasanta kumarr Behera	804/24.11.2016	1000	168/19.05.2017	1000
			Total		22000

Person(s) Responsible for this paragraph

Sino	Name	Designation	Address	Amount(In Rs.)
1	Sri Pramod kumar Bank	T.C	BANKI NAC	7000
2	Sri Bijay kumar raj	S.I	BANKI NAC	45000
3	Sri Satyabrata Mantry	EO	At.P.O.-Banki NAC	52000


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N.A.C.,BANKI

PARA: 9 GRANTS

Banki 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	38704412.50	50898250.00	89602662.50	37089484.00	31-03-2018	52513178.50	
	GRAND TOTAL	38704412.50	50898250.00	89602662.50	37089484.00		52513178.50	


Comments :

Irregular and incomplete maintenance of Register of Grants >

As per Rule-80 of O.M Rules, 1953, Register of Grants should be maintained in Form No.XLII in separate account in respect of each grant embracing all Govt. grants. But, it was found from the Grants Register of this N.A.C. that only Grants received through P.L. Account have been entered in serialim and in a peculiar format. Grants like MLALAD, MPLAD, SJSRY etc received through other than treasury are not entered in this Grant Register. Action should be taken to maintain the register in the prescribed form taking in to account all the grants and shown to the next audit. The details of Grants received, as ascertained from Cash Book & so called Grants Register(maintained in an un appreciable manner) during the year 2017-18 are furnished below.

Statement showing the details of Govt Grant Received by Banki NAC during the year 23017-18

sino	Head of Account	Sanction order & date	Amount	Remarks
1	Entry Tax(salay&Est)	13887/20.06.2017	7,182,000.00	
		30392/23.12.2017	3,577,000.00	
		5207/23.02.2018	3,576,000.00	
		Total	14,335,000.00	
2	Motor Vehicle Tax	18967/19.08.2017	705,000.00	
		3422/5.02.2018	705,000.00	
		Total	1,410,000.00	
3	Devolution Fund	18509/16.08.2017	2,398,000.00	
		3441/5.02.2018	2,398,000.00	
		Total	4,796,000.00	
4	Arrear Pension and Basic service	20550/7.09.2017	3,366,000.00	
		5626/26.02.2018	3,215,000.00	
		Total	6,581,000.00	
5	sitting fees/TA/DA	17428/1.08.2017	54,750.00	
		Total	54,750.00	
6	Creation of capital assets	20272/4.09.2017	474,000.00	
		5558/26.02.2018	475,000.00	
		Total	949,000.00	
7	Maintenance of capital assets	19688/29.08.2017	227,000.00	


Executive Officer
N.A.C., BANKI

		5582/26.02.2018	226,000.00
		Total	453,000.00
8	14TH FC(Basic Grants)		
	Basic grant	18479/16.08.2017	3,788,000.00
	Basic grant	30499/29.12.2017	3,747,000.00
		Total	7,535,000.00
	Other Grant		
9	Maintenance Of Road and Bridges	3493/6.02.2018	2,007,000.00
		Total	2,007,000.00
10	Non residential Building	3498/6.02.2018	316,000.00
		Total	316,000.00
11	SWACHHA BHARAT MISSION(SBM)-IHHL	5351/24.02.2018	11,139,500.00
		Total	11,139,500.00
12	NULM-Day	10606/10.05.2017	562,000.00
		10424/21.07.2017	310,000.00
			872,000.00
13	MP LAD	-	450,000.00
		Total	450,000.00
		Grand Total	50,898,250.00

The Grant in Aid Register contains only grants received through PL Account without any opening balance, utilization and unspent grant at the end of the year. However a Grant Statement for 17-18 is prepared basing upon the Head of Account posted in the Accountant Cash Book and Work Bills and produced by the local authority which is furnished below..

Sl no	Particulars of Grant	O.B as on 1.04.2017	Grant Received during 2017-18	Total	Expenditure during 2017-18	closing balance as on 2017-18
1	11 th 12 th FC	277,930.00	-	277,930.00	-	277,930.00
2	Entry tax	-	12,867,945.00	12,867,945.00	12,867,945.00	-
3	PBI under FCA	199,082.00	-	199,082.00	-	199,082.00
4	illumination	499,206.00	-	499,206.00	499,206.00	-
5	Festival grant	16,990.00	-	16,990.00	-	16,990.00
6	public conveyance	1,105,980.00	1,467,055.00	2,573,035.00	2,566,353.00	6,682.00
7	flood and cyclone	258,079.00	-	258,079.00	-	258,079.00
8	CDR drought	520,588.00	-	520,588.00	-	520,588.00
9	Non remunerative	8,500.00	-	8,500.00	-	8,500.00
10	untied fund	575.50	-	575.50	-	575.50
11	TLC	1,090.00	-	1,090.00	-	1,090.00
12	BSY	7,000.00	-	7,000.00	-	7,000.00
13	Construction of houses	22,000.00	-	22,000.00	-	22,000.00

14	slaughter house	15,000.00	-	15,000.00	-	15,000.00
15	MLA LAD	1,487,428.00	-	1,487,428.00	398,565.00	1,088,863.00
16	MP LAD	335,437.00	450,000.00	785,437.00	-	785,437.00
17	FDR	779,857.00	-	779,857.00	-	779,857.00
18	SC/ST	2,000.00	-	2,000.00	-	2,000.00
17	Pension of LFS/Non LFS employees	1,000,000.00	1,176,946.00	2,176,946.00	1,176,946.00	1,000,000.00
19	Construction of boundary wall	232,249.00	-	232,249.00	-	232,249.00
20	SPF	2,836,554.00	-	2,836,554.00	350,245.00	2,486,309.00
21	URBAN ASSETS CREATION	1,449,215.00	-	1,449,215.00	-	1,449,215.00
22	CENSUS	76,000.00	-	76,000.00	-	76,000.00
23	solid waste management	126,061.00	-	126,061.00	8,787.00	117,274.00
24	basic grant 14th FC	6,922,673.00	7,310,000.00	14,232,673.00	2,849,607.00	11,383,066.00
25	Devolution fund	7,309,726.00	4,796,000.00	12,105,726.00	3,848,547.00	8,257,179.00
26	Maint. Of Non residential building	3,787,717.00	316,000.00	4,103,717.00	79,194.00	4,024,523.00
27	Creation of capital Assets and its maintenance	-	949,000.00	949,000.00	648,700.00	300,300.00
28	Hon SA/TA/DA	387.00	54,760.00	55,137.00	50,400.00	4,737.00
29	MVT	992,678.00	1,410,000.00	2,402,678.00	1,065,171.00	1,337,507.00
30	NULM	332,439.00	872,000.00	1,204,439.00	92,400.00	1,112,039.00
31	Arrear Pension and Basic Service	3,700,675.00	5,081,054.00	8,781,729.00	1,605,181.00	7,176,548.00
32	Maschajibi	86,523.00	-	86,523.00	-	86,523.00
33	Swachhabharata mission	2,859,615.00	11,139,500.00	13,999,115.00	5,640,547.00	8,358,568.00
34	Bhagabata tungi	10,000.00	-	10,000.00	-	10,000.00
35	SDP	491,951.00	225,000.00	716,951.00	360,517.00	356,434.00
36	Maintenance of road and bridges	911,207.00	2,007,000.00	2,918,207.00	2,255,173.00	663,034.00
37	Maintenance of capital assets	-	453,000.00	453,000.00	453,000.00	-
38	Hanschandra	42,000.00	323,000.00	365,000.00	273,000.00	92,000.00
		38,704,412.50	50,898,250.00	89,602,662.50	37,089,484.00	52,513,178.50

Non utilization of cent percentage of Grants-

Rule 171(3)(1) of O.G.F.R. Vol-I, provides that the grants sanctioned shall be spent within a year from the date of sanction. The unspent balance of the previous years grant has either to be surrendered to Govt., or it has to be taken into accounts in subsequent years grant with prior approval of the sanctioning agency. Fresh grants to tune of Rs 50898250.00 were also released during 2017-18 From the above table, it may seen that the expenditure incurred was only Rs 37089484.00 while total fund available was Rs 89602662.50, the percentage of utilization of the grants in NAC needs to be increased in comparison to the total grants available for utilization under different developmental schemes. The overall utilization of grants of this LLB for the year 2017-18 is 41.39 % only. This indicates that the Govt. money released to this NAC for

developmental works is not being utilized for the purposes in time. The delay in implementation of developmental programmers defeats the very purpose of the schemes. The less utilization of funds was mainly due to non preparation of proper budget estimates, inadequate monitoring and planning etc. The Executive Officer concerned assured to take steps for utilization of the funds soon. But such assurance cannot bear fruit in the absence of proper monitoring and planning. Hence steps may be taken to utilize the same with approval of the sanctioning authority and proper planning and monitoring may be made for the same and compliance reported to audit.

From the Grant position furnished above it is revealed that a sum of Rs 52513178.50 remained unspent grant at the end of the financial year 2017-18. The local authority could not furnish the year-wise break up of unspent grant. As per Rule -171 of OGFR Volume-I read with Rule-67 of O.M.Rules-1953 all grants should be utilized within the year of receipt. Unutilized fund, if any, may either be refunded to the Government or utilized in subsequent year with prior approval of the Government. Hence the E.O. is advised to take tangible steps to utilize the above grants observing all formalities.

Para-9.2-Year wise break up of unspent Grant-

Year wise break up of unspent grants ->

The year wise break and scheme wise breakup of unspent grant could not be workout due to inadequate maintenance of grant-in-aid register. Further the year wise breakup of unspent grant has not been furnished in the previous Audit Report. Therefore the E.O. is suggested to maintain the grant-in-aid register properly and compliance shown to next audit. However best on the grant position in the last audit report and the grants received by the NAC during 2017-18 and the utilization of grants in 2017-18, the year wise break up of unspent grant upto 31.03.2018 is furnished below.

Upto 2015-16	1,78,01,413.50
2016-17	20902999
2017-18	13908766.00
Total	52513178.50


Executive Officer
N.A.C.,BANKI

PARA: 10 UTILISATION CERTIFICATE

Banki N.A.C. - 2017-2018

Sino	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	58761879.00	37089484.00	95871363.00	34761321.00	31-03-2018	61110042.00	
	GRAND TOTAL	58761879.00	37089484.00	95871363.00	34761321.00		61110042.00	

Comments :

Non Submission of U.C. in due time:-

As per Rule 170, 171 and 173 of O.G.F.R. Vol-I grants received should be utilized within the same financial year in which it was received and UCs should be submitted by 30th June of the subsequent year to the funding agency as well as Principal Accountant General(A&E) Odisha. The F.D. Letter No.29539/dtd. 20-10-14 gives emphasis upon submission of UCs to proper quarter by 30th June of the succeeding year. As timely submission of UC is relative to receipt of subsequent Grants from GOI and cut is imposed on the grant amount accordingly on its non-submission/delay in submission. Hence timely non-submission and huge pendency of submission of utilization certificate is a detrimental factor. Non-submission of U.C. to a tune of Rs as on 31-03-18 defeats the very purpose of Govt. policy & planning and speaks about the improper management of manpower in NAC level during 2017-18 and lack of supervision of local authority.

The details of submission U.C. during 2017-18 is furnished below.

Sl No	Letter no&date	To whom submitted	Amount of UC submitted(In Rs)	Year of Expenditure	Name of the scheme
	13811/7.09.2017	PD-DUADA , Cuttack	13772000	2017-18	Entry Tax
	5425/30.11.2017				
	25425/30.11.2017	PD-DUADA , Cuttack	1113995	2017-18	Motor vehicle Tax
	3811/7.09.2017				
	33811/7.09.2017	PD-DUADA , Cuttack	4169109	2017-18	Devolution Funds
	5425/30.11.2017				
	43811/7.09.2017	PD-DUADA , Cuttack	2782127	2017-18	Arrear Pension and Basic services
	5425/30.11.2017				
	53811/7.09.2017	PD-DUADA , Cuttack	95687	2017-18	Sitting Fees
	65425/30.11.2017	PD-DUADA , Cuttack	969164	2017-18	creation of capital assets
	3811/7.09.2017				
	73425/30.11.2017	PD-DUADA , Cuttack	359064	2017-18	Maintenance of Capital assets
	3811/7.09.2017				
	83811/7.09.2017	PD-DUADA , Cuttack	4940172	2017-18	14 th FC Basic Grant
	5425/30.11.2017				
	93811/7.09.2017	PD-DUADA , Cuttack	1641140	2017-18	Maintenance of Road and Bridges
	5425/7.09.2017				
	105425/30.11.2017	PD-DUADA , Cuttack	91068	2017-18	Non residential Building

Executive Officer
N.A.C., BANKI

Executive Officer
N.A.C., BANKI

114440/28.09.2017	PD-DUADA ,Cutback	849200	2017-18	NULM
123811/7.09.2017	PD-DUADA ,Cutback	567341	2017-18	CC ROAD
133811/7.09.2017	PD-DUADA ,Cutback	283635	2017-18	P B I
145425/30.11.2017	PD-DUADA ,Cutback	345842	2017-18	General Performance Grant
153811/7.09.2017	PD-DUADA ,Cutback	81826	2017-18	Public Toilet
165425/30.11.2017	PD-DUADA ,Cutback	9720	2017-18	park
17107/25.05.2018	PD-DUADA ,Cutback	2690231	2017-18	SBM
	Total	34761321		

It is seen from the above table that the position of pending U.Cs as on 31.03.2018 is quite alarming. Due to non submission of U.Cs to proper quarter, the Govt. is in dark regarding proper utilization of grants in time. For which the same were sanctioned. Huge pendency of U.Cs for submission may cause hindrance in further release of grants by the Govt. which will indirectly affect the development of the Urban Area in all respect. However the local authority to take sincere steps for early submission of pending U.Cs under compliance reported to audit.

Year wise break up of Pending Utilization Certificate :-

It was asked through objection memo to furnish the year wise break up of pending U.Cs on 31.03.2018. But the local authority fail to furnish the same to audit. However basing upon the last audit report and the records made available to audit the year wise break up of pending U.Cs is furnished below. The category wise break up of pending U.Cs could not be worked due to non-maintenance of U.C. Register. However the year wise break up of the same is worked out in audit and presented below.

Sl No	Year	Amount	Remarks
	2001-02	40244	
	2002-03	246400	
	2003-04	1103563	
	2004-05	2696559	
	2005-06	4013	
	2006-07	2893985	
	2007-08	281496	
	2008-09	2352898	
	2009-10	526782	
	2010-11	0	
	2011-12	575123	
	2012-13	5499838	
	2013-14	2663623	
	2014-15	9162922	
	2015-16	27372128	
	2016-17	3362305	
	2017-18	2328163	
	Total	61110042	

Executive Officer
N.A.C.,BANKI

PARA: 11 MISAPPROPRIATION & DEFALCATION


11.1 -

1) Misappropriation of cash due to non deposit of collection money- (AQSP-22)

On checking of the receipts of different taxes and rents with reference to money receipt book and daily collection register cash book and Accountant cash Book for the year under audit, it was noticed that vide parking tax receipt book for the year 2017-18, a total sum of Rs 310.00 had been collected in shape of cash towards miscellaneous tax collected by Sri Pitambara Nayak TC. But the said amount was neither deposited to the cashier nor deposited in the concerned Bank account of NAC till date (Details in table)

Date of collection	Actual Amount as per audit	Amount shown in DCR	Less deposit/shown	Book no(Receipt No)	Name of the Tax collector
31.03.2018	2270	2080	210	166-6703-6791	Sri Pitambara Nayak
28.03.2018 to 24.04.208	2350	2250	100	3	Sri Narendra Prusty
			310		

In issue of objection memo the local authority effected recovery of 310 from Sri Pitambara Nayak and Sri Narendra Prusty vide MR NO-9421 & 9420 Dt. 14.08.2018 and credited to NAC fund


Executive Officer
N.A.C., BANKI

11.2 -

1) Misappropriation of cash due to non deposit of collection money:- (AQSP-19)

On checking of the receipts of different taxes and rents with reference to money receipt book and daily collection register cash book and Accountant cash Book for the year under audit, it was noticed that vide miscellaneous tax receipt book for the year 2017-18, a total sum of Rs. 2020.00 had been collected in shape of cash towards miscellaneous tax collected by Sri Pitambara Nayak TC. But the said amount was neither deposited to the cashier nor deposited in the concerned Bank account of NAC till date (Details in table)

Date of collection	Actual Amount as per audit	Amount shown in DCR	Less deposit/shown	Book no(Receipt No)	Name of the Tax collector
27.02.2018	12202	12162	40	85-(8431-8465)	Sri Pitambara Nayak
28.02.2018	2880	2820	60	86(8501-8510)	Do
11.04.2018	1820	0	1920	89(8900_	Do
			2020		

In issue of objection memo the local authority effected recovery of Rs 2020/- from Sri Pitambara Nayak and vide MR NO-9419 Dt.14.08.2018 and credited to NAC fund.

11.3 -

1) Misappropriation of cash due to non deposit of collection money:- (AQSP-20)

On checking of the receipts of different taxes and rents with reference to money receipt book and daily collection register cash book and Accountant cash Book for the year under audit, it was noticed that vide holding tax receipt book for the year 2017-18, a total sum of Rs. 1264.00 had been collected in shape of cash towards miscellaneous tax collected by Sri Pitambara Nayak TC. But the said amount was neither deposited to the cashier nor deposited in the concerned Bank account of NAC till date (Details in table)


Date of collection	Actual Amount as per audit	Amount shown in DCR	Less deposit/shown	Book no(Receipt No)	Name of the Tax collector
25.02.2018	432	0	432	178-17779	Sri Pitambara Nayak
28.04.2018	5870	5561	109	178-17761-17785	Do
17.03.2018	47	37	10	183-18201-18300	Narayana Mohapatra
			551		

In issue of objection memo the local authority effected recovery of Rs 551/- from Sri Pitambara Nayak and Sri Narayan mohapatra vide MR NO-9423 & 9426 dt.14.08.2018 and credited to NAC fund.

11.4 -

Misappropriation of cash due to non deposit of collection money:- (AQSP-26)

On checking of the receipts of different taxes and rents with reference to money receipt book and daily collection register cash book and Accountant cash Book for the year 2017-18 under audit, it was noticed that vide Miscellaneous tax receipt book for the year 2017-18, a total sum of Rs. 5000/- had been collected in shape of cash towards miscellaneous tax collected by Sri Pramod kumar Bank. But less amount


Executive Officer
N.A.C., BANKI

was taken into the DCR. (Details given in table)

Date of collection	Actual Amount as per audit	Amount shown in DCR	Less deposit/shown	Book no(Receipt No)	Name of the Tax collector
07.06.2018	53420	48420	5000	92--(9101-9147)	Sri Pramod Kumar Barik
			5000		

In issue of objection memo the local authority effected recovery of Rs 5000/- from Sri Pramod kumar Barik vide MR NO-9417 Dt. 14.08.2018 and credited to NAC fund.

11.5 -

Mis appropriation of cash due to non deposit of collection money.-(AQSP-26)

On checking of the receipts of different taxes and rents with reference to money receipt book and daily collection register cash book and Accountant cash Book for the year under audit, it was noticed that vide holding tax receipt book for the year 2017-18, a total sum of Rs. 20700.00 had been collected in shape of cash towards miscellaneous tax collected by Sri Bijaya kumar Raj Sanitry Incharge, But the said amount was neither deposited to the cashier nor deposited in the concerned Bank account of NAC till date. (Details given in table)-

Date of collection	Actual Amount as per audit	Amount shown in DCR	Less deposit/shown	Book no(Receipt No)	Name of the Tax collector
20.06.2017 to 21.01.2018	20700	0	20700	61(6010-6029)	Sri Bijaya kumar Raj Sanitry Incharge

In issue of objection memo the local authority stated that this amount of Rs. 20700/- is deposited vide cashiers cash Book page no--41/20.06.2018.

11.6 -


Misappropriation of cash due to non deposit of collection money.-(AQSP-27):

On checking of the receipts of different taxes and rents with reference to money receipt book and daily collection register cash book and Accountant cash Book for the year 2017-18 under audit, it was noticed that vide parking fee receipt book for the year 2017-18, a total sum of Rs. 1000 had been collected in shape of cash (This receipt book was not produced to audit) towards parking fee collected by Sri Pitambar Nayak, TC. But the said amount was not taken into the DCR and cashiers cash book (Details given in table)

Date of collection	Actual Amount as per audit	Amount shown in DCR	Less deposit/shown	Book no(Receipt No)	Name of the Tax collector
	1000	0	1000	107	Sri Pitambar Nayak, TC
			1000		

In issue of objection memo the local authority effected recovery of 1000 from Sri Pitambar Nayak vide MR NO-9418 Dt. 14.08.2018 and credited to NAC fund.

11.7 -


Executive Officer
N.A.C., BANKI

Excess amount paid in the OAP Acquittance Roll--(AOSP-31):

On checking of OAP acquittance roll with the disbursed registr ,It is noticed that an amount of 600.00/- is shown as excess excess expenditure than the actual. The details are given below-

Sino	Month of disbursement	Scheme name	Amount as per audit	Amount shown in the acquittance roll	Excess expenditure	Person who disbursed the amount	Acquittance page no
1	JULY-2-17	MBPY (ARREAR)	300	600	300	Manoranjan Rout, TC	Page 40
2	Sept-2017	MBPY	1500	1800	300	DO	Page24
					600		

In issue of objection memo the local authority effected recovery of Rs 600/- from Sri Manoranjan Rout vide MR NO-9424 Dt. 14.08.2018 and credited to NAC fund.

11.8 -

1) Excess amount paid in the OAP acquittance Roll--(AOSP-31)

On checking of OAP acquittance roll with the disbursed registr ,it is noticed that an amount of 3500/- is shown as excess excess expenditure than the actual. The details are given below-

Sino	Month of disbursement	Scheme name	Amount as per audit	Amount shown in the acquittance roll	Excess expenditure	Person who disbursed the amount
1	5/17	IGNOAP (80)	12000	13500	1500	Ramachandra Mangala TC
2	6/17	IGNOAP	33000	33300	300	DO
3	6/17	MBPY (80)	3500	4000	500	DO
4	7/17	IGNOAP	39300	39600	300	DO
5	8/17	IGNWP	12000	12300	300	DO

Executive Officer
N.A.C., BANKI

6	1/18	IGNOAP	42000	42300	300	DO
7	8/17	IGNWP	62700	63000	3000	DO
					3500	

In issue of objection memo the local authority effected recovery of 3500/- from SriRamachandra Manguala vide MR NO-9422 Dt. 14.08.2018 and credited to NAC fund.

11.9 -

Excess amount paid in the OAP acquittance Roll--(AOSP-34)

On checking of OAP acquittance roll with the disbursed register, it is noticed that an amount of 300.00/- is shown as excess expenditure than the actual. The details are given below-

Sino	Month of disbursement	Scheme name	Amount as per audit	Amount shown in the acquittance roll	Excess expenditure	Person who disbursed the amount	Acquittance page no
1	Sept 2017	GNWP	0	300	300	Narayan Mohapatra, TC	Page 40
					300		

In issue of the objection memo the local authority admitted the objection and stated steps will be taken for recovery from the person concerned and it will be produced at the time of exit conference Hence an amount of Rs 300/- is suggested for recovery from Sri Narayan Mohapatra, TC

Person(s) Responsible for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs.)
1	Sri Narayana mohapatra	TC	AtPO-Banki NAC	300


11.10 -

1)Excess amount paid in the OAP acquittance Roll as double payment--

On checking of OAP acquittance roll with the disbursed register, it is noticed that an amount of 900/- has been given to three beneficiaries of Ward no-14 as general old age pension.

In the month of January 2018, subsequently these three are taking an amount of 1500/- as 80 years pension as per their eligibility. Hence an amount amount of Rs 600.00 is paid as excess to these three beneficiaries by Sri Narayana Mohapatra TC, which is not admitted in audit.

In issue of objection memo the local authority effected recovery of 600/- from Sri Narayana Mohapatra vide Mr NO-9425 Dt 14.08.2018 and credited to NAC fund.


Executive Officer
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11.11 -

PARA: 12 LOSS OF STOCK & STORE

12.1 -
Non Conduct of Physical verification of stock and stores:-
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 authorized by him. Therefore the Local authority is advised to maintain the stock register of old replaced materials of Electrical equipment to authenticate the use of new materials and to increase the Govt. revenue by auction of old materials.

PARA: 13 AUDIT OF RECEIPTS

13.1 -										
The demand collection Balance-										
0	Demand			collection			Balance			Remarks
	Arrear	current	Total	arrears	current	total	current	Arrear	Total	
Holding Tax	619,026.00	889,435.00	1,508,461.00	245,140.00	641,180.00	886,320.00	248,255.00	373,886.00	622,141.00	
Light Tax	481,675.00	533,187.00	994,862.00	147,090.00	389,504.00	536,594.00	143,683.00	314,585.00	458,268.00	
Water Tax	135,575.00	-	135,575.00	-	-	-	-	135,575.00	135,575.00	
Total	1,216,276.00	1,422,622.00	2,638,898.00	392,230.00	1,030,684.00	1,422,914.00	391,938.00	824,046.00	1,215,984.00	
shop room rent	576,752.00	548,208.00	1,124,960.00	282,720.00	283,692.00	566,412.00	284,516.00	294,032.00	558,548.00	
cart and carriage	-	-	-	-	-	-	-	-	-	
cycle stand	-	-	-	-	-	-	-	-	-	
auction of tank	-	-	-	-	-	-	-	-	-	
D&O(U/S 290	-	5,700.00	5,700.00	-	-	-	5,700.00	-	5,700.00	
Meat Stall	-	-	-	-	-	-	-	-	-	
Parking Fees	-	54,700.00	54,700.00	-	54,700.00	54,700.00	-	-	-	

Executive Officer
N.A.C., BANKI

Daily market	-	-	-	-	-	-	-	-	-
Ground rent	-	-	-	-	-	-	-	-	-
Total	1,793,028.00	2,031,230.00	3,824,258.00	874,950.00	1,369,076.00	2,044,026.00	662,154.00	1,118,078.00	1,780,232.00

From the above Demand, Collection and Balance position it is found that the collections of taxes were moving around 53.92 % of the demand amount. From the records it is also revealed that the local authority has failed to take appropriate steps for collection of due taxes as they have neither issued any Demand Notice nor initiated any proceeding for issue of Distress Warrant and Certificate cases against the defaulters. For all these the Council failed to provide civic amenities to its dweller due to shortage of fund. Further the council is advised to take effective steps and to adopt the procedures of rewards and punishment as described under Rule -201(2) of O.M.Rules-1953 in order to enhance the status of collection of taxes.

The year-wise break up of outstanding dues(Holding, Light and water Tax) as on 31-03-18 as produced by the Local authority is furnished below.

Year	Amount(Holding Tax)
Upto 2009-10	105187
2010-11	75401
2011-12	112810
2012-13	105875
2013-14	203053
2014-15	117297
2015-16	52268
2016-17	195868
2017-18	248225
Total	1215984

13.2 -

ASSESSMENT OF TAXES :-

Assessment Register of taxes as required under rule -177 of O.M.rules-1953 was not maintained in this Municipality. The new assessment has not been incorporated properly as required under Rule 178 and 179 of OM Rule 1953. So the exact position of holding tax of the assesses could not be ascertained from records and registers produced by the local authority. Though the Building Plan Register is maintained in accordance with Rule-525&575 of O.M. rules-1953, due to non maintenance the position of buildings permitted for new constructions, additions and alterations to the existing building could not be ascertained. Hence the assessment of taxes for all newly constructed buildings was not done in this NAC. The E.O is therefore advised to ensure proper maintenance of the above register. For assessment of newly constructed buildings the E.O has been advised to take the information from the CESU i.e. the list of consumer of the NAC area annually, accordingly through the employees of the municipality conduct survey word wise new buildings should be assessed.

Suggestions:-

1. Assess Holding Tax on Railway land, Agricultural land and industrial units.
2. Adopt current schedule of rates of PWD for valuation of buildings and general revision of taxes made in every five year as stipulated in the act.
3. Take effective measures for boosting realization of arrears of revenue.
4. Strengthening monitoring mechanism for effective tracing of holdings for enhancing tax base of the Municipality.

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N.A.C., BANKI


Executive Officer
N.A.C., BANKI

13.3 -

Information on Holding Tax Collection Mechanism:-

01) No. of Tax Collector employed & No. Of Tax Collectors collected Tax:-02 Numbers.

02) Any other employee associated with the process- Sri Rudra Pati, Tax Daroga was engaged for supervision of collection of taxes during the years(2016-17, 2017-18)

03)Target and achievement of each Tax Collector-No target was found to have been fixed with the Tax Collectors for the year 2014-15 to 2016-17. Further no timely review was also conducted by the E.O. for which the collection of Holding Tax was not satisfactory. Hence the local authority is advised to fix the target on the Tax Collectors and make review on their achievement in regular interval to enhance the collection position of Holding Tax.

04)Has the Local authority followed section-201 ofOMA (Reward & Punishment) :-The local authority was found not to have followedRule-201 scrupulously for which the collection position of Holding Tax was far from satisfactory. Hence the Executive Officer is advised to meticulously follow the provisions contained under Rule-201 of OMA to increase the collection position of Holding Tax both arrears and current demand so as to develop the fiscal condition of the NAC.

5)Holding Tax less collected/not collected due to order of any court :-No such order of any court was received by the Local authority during the last three years which affected the collection position of Holding Tax.

The No of Holdings are furnished below-		
Year of Holding		Remarks
	No of Total Holding	
2010-11		3342
2011-12		3688
2012-13		3688
2013-14		3688
2014-15		3688
2015-16		3688
2016-17		3703
2017-18		3698

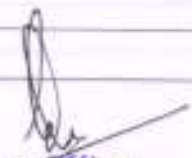
The reason of slow enhancing the numbers of holdings was discussed and the E.O. assured to take all steps (including information from local electricity office relating to new connection) to increase the numbers of new holding in future. In view of the above facts it is found that the action against the defaulters has been reduced day by day. No Demand Notice and further action has been initiated even against a single defaulter for which the collection of outstanding dues has not been improved. Further the Municipal authority has neither enforced the target and achievement system in collection of the dues nor carrot and stick method (as per Section-201 of OM Act) has been adopted, for which the employees were not motivated for their better achievement. The Local Authority has been suggested to move to the higher forum for settlement of pending litigated cases (if any) from which they can get some revenue.

13.4 -

Time barred dues and year-wise break up of Holding Taxes(osp-42):-

Statement showing year wise Breakup outstanding of Taxes and Fees:-

Year	Amount(Holding Tax)
Upto 2009-10	105187
2010-11	75401


Executive Officer
N.A.C., BANKI

2011-12	112810
2012-13	105875
2013-14	203053(5th yr)
2014-15	117297(4th yr)
2015-16	52268(3rd yr)
2016-17	195868(2nd yr)
2017-18	248225(1st yr)
Total	1215984

It should be noted that in spite of several suggestions and recommendations given in previous audit reports, no register relating to break up outstanding taxes and fees was maintained in this municipality. Basing on the previous audit reports, the audit has adjusted some amount of arrear collections relating of the year 2015-16 and 2016-17 from the outstanding of taxes. Hence the local authority is suggested to maintain a register relating to break up outstanding taxes and fees and compliance reported to audit.

TIME BARRED DUES BY LIMITATION :-

It can be seen from break up of outstanding taxes & fees furnished above, a total sum of Rs 203053.00.00 due for realization pertaining to the year 2013-14, has become time barred by limitation. No action has been taken to realize the old arrear dues by the concerned E.O. who is considered to be responsible for such lapses. It is to be noted here that Demand Notices were issued and served without any Distress Warrant and Certificate Cases relating to the year 2013-14. Further in spite of objection raised in last & previous audit report, the Time barred register has not been maintained which is to be ensured and shown to next audit for necessary verification. Necessary action may be taken to clear up the time barred dues by the local authority. It is to be noted here Gagan Bihari Palour, T.C. was in charge of Tax Section from 1.04.15 to 16.12.2015 and Sri Pramod Kumar Bank, T.C. was in charge of Tax Section from 17.12.2015 to 31.03.2017. The attention of higher authorities of the Municipal administration, of the Govt. of Odisha, is drawn in this regard, for which the Municipality sustained loss to the tune of Rs. 203053.00.00 relating to the year 2013-14. As per Section-346 of OMAct,1950 read with Finance department letter no-4667/XIV-Audit-2/72 LFA dt.-28.11.1973 the loss amount of Rs.203053.00 is suggested for recovery from the persons responsible.

Hence the time barred due amount of 203053 /- for the year 2013-14 is suggested for recovery from the person responsible:

Person(s) Responsible for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs.)
1	Sri Pramod kumar Bank	T.C	BANKI NAC	33842
2	Sri Satyabrata Mantry	EO	At PO -Banki NAC	33843
3	Sri Gagan polar	TC	Banki NAC	33842
4	Sri Prafulla kumar Patl	TC	Banki NAC	33842
5	Sri Nalinikanta Behera	EX EO	NOW POSTED AT CEO HINDOL NAC	33843
6	Sri Ramchandra Mangual	TC	BANKI NAC	33841

13.5 -

1) Collection of License fees for Granting Permission and renewal of Permission in respect of. Telephone tower with Municipal/Nac areas:-

As per Lr no-6875/(Tel)06/2007-com-16/08/2007- read with Lr no-35742-1357-150010/2013/H&UD-17.12.2013 relating to Special regulation for installation of Telecom towers in Urban area of Odisha 2013.

As per Lr no—28334/H&UD Dt 31.12.2014 installation and renewal fees in respect of mobile towers have been enhanced.

(The details of enhanced charges are given below-

Sl no	Area of Operation	Fees for installation	Renewal Fees(For evry three years)
1	Municipal Areas	100000	10% of installation charges
2	NAC Areas	50000	10% of installation charges

During this period no license fees or renewal fees collected.

100110 01/12/2018
H.O., BANKI

Executive Officer
N.A.C., BANKI

13.6 -

Assessment of New Holdings :-

The number of holdings that have newly come under the ambit of holding tax during the year , the actual number of new buildings completed during the year as revealed from available records and information provided to audit is furnished below. The local authority is suggested to collect information relating to new collections to newly constructed buildings from CESU office and cross check with other related documents for better assessment of holdings within NAC area. The Assessment Registers and connected files etc. were not produced before audit for verification. However as per information provided to audit the information is furnished below.

SL NO	No of New holdings assessed (can be ascertained from the assessment register)	No of new holdings completed during the year (can be ascertained from the local authority through objection memo)	No of new electricity connections provided to the newly constructed buildings (can be collected from local electricity office)	Remarks
01	20	20	Not available	No assessment register is maintained and produced. Data taken from assessment file. file no-index no. File No-01/2016-17, File No-/

13.7 -

Non revision of rate chart for assessment of Holding Tax depriving ULBS of additional revenue:-

As per Section 146 of Odisha Municipal Act, 1950 , new valuation and assessment list should be prepared once in every five years. Further holding tax is determined on the basis of annual value of the property calculated on the basis of the construction cost of the building and reasonable ground rent for the land on which the building is situated. As per Section 143-A of the Odisha Municipal Act, 1950, the Executive Officer of the U.L.B. concerned shall, until the appointment of a Valuation Officer there of, exercise the powers and performs the duties of Valuation Officer in respect of that ULB. As per information provided to audit, it was revealed that last assessment was done during August 2011(Holding Tax @ 3% and Light Tax @ 2% of annual valuation of buildings basing on plinth area). Annual valuation is revised in every 5 years by increasing 20% of the valuation.

13.8 -

Non collection of shop room rent-

The demand collection balance register of shop room rent was produced to audit for verification in a computer generated statement. The details are

sno	Particulars	Demand			Collection			Balance		
		Arrear	current	Total	Arrear	current	Total	Arrear	current	Total
1	shop room rent	576752	548208	1124960	282720	283692	566412	264516	294032	558548

As per the statement given by the NAC -

It is evident from the above table that against the total demand of Rs 11,24,960.00 a sum of Rs 5,66,412.00 only has been collected during the year 2017-18 , leaving a balance of Rs 558548.00. From the above table it is also revealed that this huge amount of outstanding balance is due to non collection of arrear dues for years together. No efforts seem to have been taken for collection of arrear shop room rent. Suitable and sincere steps may be taken for collection of arrear outstanding dues including arrear demand.

Year wise break up of shop room rent as on 31.03.2018-

sno	Year of Pnding	Amount(shop room rent)

Executive Officer
N.A.C.,BANKI

1	upto2009-10	39613
2	2010-11	41381
3	2011-12	56575
4	2012-13	53175
5	2013-14	55767
6	Upto 2016-17	17985
9	2017-18	294032
	Total	558548

PARA: 14 AUDIT OF EXPENDITURE

14.1 -

Sanctioned Post and current position of Banki NAC 2017-18-

Sl No.	Category of post	No. of Sanction posts	Man in Position	Vacancy as on 31.03.2018
1	Executive Officer	1	1	0
2	Asst. Engineer	1	0	1
3	Junior Engineer	1	1	0
4	Community Organize	1	1	0
5	Head Asst.	1	0	1
6	Sr. Asst.	1	0	1
7	Jr. Asst.	2	2	0
8	Lighter Fitter	1	1	0
9	Driver	1	1	1
10	Peon	10	9	0
11	Watchman	1	1	0
12	Work Sarkar	1	1	0
13	Amin	1	1	0
14	Sweeper cum Night Watch man	7	6	1
15	Ambulance Helper	1	1	0
16	Tax Collector	11	10	1
17	M.I.S	1	1	0
18	Accountant	1	1	0
	Total :	44	38	6

14.2 -

1)Sanction order wanting:- (AOSP-49)

As per section-73(1) of O.M. Act,1950 read with G.O. No:-17449/H & UD,dt-10.05.98,prior sanction of Govt. is required for appointment of Class-III & IV employees. On verification of acquittanceroll of the consolidated pay of sweepers, it was found that a sum of Rs 509867/- is paid to the employees as their salary. Sanction orders in support of creation of such posts and approval orders of the State Govt. as well as the resolution of the Council were asked through audit objection statement for production before audit for verification. The details of Salary paid to the staff are furnished below.

Sl.No	Vr.No./Date	Month	Gross Salary	Net Payment	Particulars	Remarks
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Executive Officer
N.A.C.,BANKI

1	22/11.04.2017	March 17	47900	31199	
2	106/3.05.2017	April 17	44919	29396	Consolidate pay of General staff
3	330/3.6.2017	May 17	41754	25753	
4	340/3.07.2017	June 2017	45521	45521	
5	470/5.08.2017	July 2017	45292	29142	Consolidate pay of General staff
6	551/7.09.2017	Aug 2017	42898	26910	Consolidate pay of General staff
7	823/23.09.2017	Sept 2017	46080	33819	Consolidate pay of General staff
8	761/7.11.2017	Oct 2017	45965	29437	Consolidate pay of General staff
9	960/2.01.2018	Nov 2017	45492	28801	
10	-	Dec 2017	14190	4321	
11	1113/6.02.2018	Jan 2018	45488	28996	
12	1221/13.03.2018	Feb 2018	46302	29611	
	Total		509867	323836	

During Exit conference the local authority replied "steps will be taken for early regularisation. Till regularisation and production of the sanction orders the total amount of Rs. 509867/- is held under objection.

14.3 -

Sanction order wanting-:(AQSP-51)

As per section-73(1) of O.M. Act,1950 read with G.O. No.-17449/H & UD.dt-10.05.98,prior sanction of Govt. is required for appointment of Class-III & IV employees. On verification of acquittance roll of the consolidated pay of General staff, it was found that a sum of Rs 808297/- is paid to the employees as their salary. Sanction orders in support of creation of such posts and approval orders of the State Govt. as well as the resolution of the Council were asked through audit objection statement for production before

audit for verification. The details of Salary paid to the staff are furnished below.

Sl.No.	Vr.No./Date:	Month	Gross Salary	Net Payment	Particulars	Remarks
1	105/3.05.2017	April 17	78950	54765	Consolidate pay of General staff	
2	329/3.07.2017	May 17	78950	54765		
3	339/3.07.2017	June 2017	78950	54765		
4	469/5.08.2017	July 2017	78950	54765		
5	550/7.09.2017	Aug 2017	78950	54765		
6	822/23.09.2017	Sept 2017	78950	61965		
7	760/7.11.2017	Oct 2017	78950	53965		
8	959/2.01.2018	Nov 2017	78950	53965		
9	969/2.01.2018	Dec 2017	23474	11051		
10	1112/6.02.2018	Jan 18	78950	54765		
11	1220/13.03.2018	Feb 2018	78950	54768		
			808297	560424		

During Exit conference the local authority replied "steps will be taken for early regularisation. Till regularisation and production of the sanction orders the total amount of Rs. 808297/- is held under objection.

14.4 -

Less realization of professional tax-

On verification of the Pay Acquittance Register of staff with reference to connected records, it is revealed that a sum of Rs 125/- has been less realized as PT from Mini Bawa, sweeper than due detailed below, which was asked for recovery from the concerned staff.

Sl No.	Name of the month	Vr no and date of payment of salary	PT realised	Balance PT to be realised	Less realised	Remarks

Executive Officer
N.A.C.,BANKI

Executive Officer
N.A.C.,BANKI

1	February,2018	1219/13.03.2018	1375	1500	125	-
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During Exit conference the local authority produced the salary register and shows an amount Of rs 125/- is being adjusted in the month of June .2018 salary bill from Smt Mini Bewa and the para is dropped.

14.5 -

Un. authorized payment towards house rent (AO SP-57)

On verification of the Pay Acquittance Register of staff with reference to connected records, It is seen that a sum of Rs 1010/- has been paid unauthorisedly , towards house rent. to Debasis Mohanty,WS . (The details are given below in details)-

Sl no	Date and Vr no	Name of the employee	Month of payment of	Amount of payment towards Hr
1	1107/8.02.2018	Debasis Mohanty	Janury 2018	505
2	1215/13.03.2018	Do	February,2018	505
				1010


In response to the audit objection statement the local authority replied that the unauthorized payment of Rs 1010/- is deducted from the month of July 2018 salary bill . However During Exit conference the local authority produced the salary register and it shows an amount Of rs 1010/- is being adjusted in the month of June .2018 salary bill and the para is dropped.

14.6 -

Excess payment towards house rent -

On verification of the Pay Acquittance Register of staff with reference to connected records, It is seen that a sum of Rs 3434/- has been paid excess as house rent . (The details are given below in details)-

Sl no	Date and Vr no	Name of the employee	Month of payment of	House rent due	House rent paid	Excess paid
1.00	952/2.01.2018	Sanjaya kumar Pradhan.	Nov-17	593	807	214
		Prafulla kumar Pati,TC		593	807	214
		Sujit kumar Das,TC		593	807	214
		Rashmit kumar Rout,TC		593	807	214
		Dilip kumar Pattanaik		593	807	214
		Platambar Nayak		593	807	214
		Gagan bihari polar		593	807	214
		Bijay kumar pati		593	807	214
				4744	6456	1712


Executive Officer
N.A.C.,BANKI

2062/2.01.2018	Sanjaya kumar Pradhan,	Dec-17	593	807	214
	Pratulla kumar Pati,TC		593	807	214
	Sujit kumar Das,TC		593	807	214
	Rashmit kumar Rout,TC		593	807	214
	Dilip kumar Pattanaik		593	807	214
	Patambar Nayak		593	807	214
	Gagan bihari polar		593	807	214
	Bijay kumar pati		593	807	214
			4744	6456	1712
					3424

In response to the audit objection statement the local authority replied that the excess payment of house rent of Rs3424/- is deducted from the month of July 2018 salary bill. However During Exit conference the local authority produced the salary register and shows an amount Of rs 125/- is being adjusted in the month of July 2018 salary bill and the para is dropped.

14.7 -

Excess payment in salary-(Aosp-58)

On verification of the Pay Acquittance Register of staff with reference to connected records, it is seen that a sum of Rs 1688/- has been paid as excess in salary payment. (The details are given below in details)-

Sl no	Date and Vr no	Name of the employee	Month of payment	Salary due	Salary paid	Amount excess paid
1	2213.04.2018	Pramod Kumar Barik,TC	March 2018	31883	32727	844
2	1215/13.03.2018	Dilip kumar pattanaik,TC	February,2018	31883	32727	844
						1688

In response to the audit objection statement the local authority replied that the unauthorized and excess payment of Rs 1688/- is deducted from the month of June 2018 salary bill. However During Exit conference the local authority produced the salary register and it shows an amount Of Rs 1688/- is being adjusted in the month of June 2018 salary bill and the para is dropped.

14.8 -

Excess payment towards D.A.(Aosp-58)

On verification of the Pay Acquittance Register of staff with reference to connected records, it is seen that a sum of Rs 45/- has been paid excess as DA to consolidated staffs. (The details are given below in details)-

Sl no	Date and Vr no	Name of the employee	Month of payment of	Da per day 2.50 pisa and working days	paid	Excess paid
1.00	959/2.01.2018	Manoranjan Rout	Nov	2.50x28=70	755	

		Remachandra manguala tc	2.50x28=70	755	
		Narayana Mohapatra ,tc	2.50x28=70	755	
		Kashore Chandra Mohapatra,peon	2.50x28=70	755	
		Narendra prusty,Peon	2.50x28=70	755	
		Dhiren tripathy,peon	2.50x28=70	755	
		Prakash Chandra mantri	2.50x28=70	755	
		Sanatana behera	2.50x28=70	755	
		Rebati behera	2.50x28=70	755	
2962/2 01 2018		Sanjaya kumar Pradhan,	630	675	45

In response to the audit objection statement the local authority replied that the unauthorized payment of Rs 45/- is deducted from the month of June 2018 salary bill. However, During Exit conference the local authority produced the salary register and it shows an amount Of rs 45/- is being adjusted in the month of June 2018 salary bill and the para is dropped.

14.9 -

Calculation error in Log Book-(AOSP-66)

On verification of the logbook of the NAC, it is noticed that calculation error is made and less quantity Of fuel is shown than the actual which is given below in details-

Sino	No of the vehicle	Previous day balance	Consumed/Date	Balance as per register	Balance as per audit	Less shown	Person responsible
1	OR-05AC 4930	11 LTR	9.10.2017-3ltr	7 ltr	8ltr	1 ltr@63.54=63.54	SI
2	OD-05B 7124	28	8.10.2017	24	26	2@63.54=127.08	DO
						190.62 OR 191/-	

In response to the audit objection statement the local authority admitted the objection and an amount of Rs 191/- has been recovered from Sri Bijay Kumar Raj, vide MR NO-9438/28.08.2018. Hence the para is dropped.

PARA: 15 AUDIT ON WORKS

15.1 -

Details of Work list-

Particulars	No of work case records	Amount
Total work case records due for verification	160	12614523
Work's case records verified by Audit	151	11466541
Balance work's case records that could not be verified by audit.		1147982

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Executive Officer
N.A.C., BANKI

2)NON PRODUCTION OF WORK CASE RECORDS:-(AOSP-68)

On verification of the Accountant cash book with the work register of the NAC ,It is noticed that 9 no of work case records are not being produced before audit for verification. Details are given below:-

Sino	Name of the work	Name of the JE	Amount
1	Repair and renovation of Debaraj batharu shop to Abdul Rehman mutton shop ward no-10	Dilip swain	84922
2	Construction of Burial and cremation ground at charchik ward no-10	Do	383375
3	Repair of Drain from Kalamndira shop to Purnachandra bittle shop ,ward no-10	Do	96233
4	Repair of cc road from Bagha cement shop to Raghua Prusty Shop,ward no-10	Do	99234
5	Const of park and beautification near kacheripond in Ward no-8	Do	99409
6	Const of park and beautification near kacheripond in Ward no-8	Do	99409
7	Const of cc road and pindi from Patherutha chaura in Rabi moharana a house in Ward no-11	Do	98132
8	Repair and construction of cc road Salim house to to Pathaarutha tank end in in ard no-11	Do	98716
9	Repair and construction of cc road Salim house to to Pathaarutha tank end in in ard no-11	Do	98552
			1147982

During Exit conference the local authority assured to produce the above stated case records before next audit, However till then an amount of 1147982/- is kept under objection.

15.2 -

1)Excess payment in works-(Aosp-36)

Constn of C.C drain from Kalamndira shop to purnachandra bittle shop in ward No-10(AOSP-36)

Head A/c : 14 th F.C Basic Grant

C/R No.19/2017-18


M.B.No.110, Page : 124-127/133-138,Vr no-1078/1.02.2018

Excess payment due to allowing the rate of Centring & shurtering twice :-

On checking of above Case Record with reference to connecting M.B., it was seen that the rate of cement concrete (1: 1 1/2: 3) work was provided @ Rs.5649.50 / cum which included the cost of centring & shurtering. However again vide item no.6 of the file the item of rigid and smooth centering & shurtering was provided for 72sq.mtr. area @ Rs.85.53 / sqm. @ Rs.6158.16. As the centering rates has already been provided in C.C. (1: 1 1/2: 3) work item the payment of Rs.6158.16 or say Rs.6158.00 can not admitted in audit.

In response to the audit objection statement the local authority admitted the objection and an amount of Rs.6158/- has been recovered from the executant Rabindranatha sahuo vide MR NO-9435/28.08.2018. Hence the para is dropped.

15.3 -


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1) Excess payment in work :- (AQSP-37)

Name of the Work : Constr. of RC.C drain from Gada tailor shop to Ashok tailor shop in ward no-10.

Name of the Contractor : Sri Rabindranatha sahoo

Name of the J.E : Sri Dilip Kumar Swain,

Name of the A.E.E : Sri Bishnu charan Padhi, P.H Div. Mundali,

Vr no-1228/13.03.2018

Tender Bid Value : Rs 90486/-

Head A/c : Devolution Fund

C/R No.47/2017-18

M.B.No.111, Page : 114-126

Excess payment due to allowing the rate of Centring & shuttering twice :-

On checking of above Case Record with reference to connecting M.B., it was seen that the theate of cement crecrete (1: 1 1/2: 3) work was provided @ Rs. 5649.50 / cum which included the cost of centring & shuttering. However again vide item no.6 of the file the item of rigid and smooth centering & shuttering was provided for 73.80 sq mtr. area @ Rs 85.53/ sqm. @ Rs 6312.11 or 6312.00. As the centering rates has already been provided in C.C. (1: 1 1/2: 3) work item the payment of Rs.6312.00 or can not admitted in audit

In response to the audit objection statement the local authority admitted the objection and an amount of Rs6312/- has been recovered from the executant Rabindranatha sahoo vide MR NO-9436/28.08.2018 Hence the para is dropped.

15.4 -

Excess payment in Works-(AQSP-39)

1) Name of the Work : Constr. of protection wall at kacheri pond at ward no-8

Name of the Contractor : Sri Utakakesari Nayak

Estt. Cost : Rs.687600/-

Name of the J.E : Sri Dilip Kumar Swain,

Name of the A.E.E : Sri Bishnu charan Padhi, P.H Div. Mundali,

Vr no-476/8.08.2017

Tender Bid Value : 618839/-

Head A/c : Devolution Fund (kaalyani Mandap)

C/R No.44/2017-18

M.B.No.108, Page : 65-76

Excess payment due to violation of OPWD Code :-

On checking of above Case Record with reference to connecting M.B., it was seen that the following contractors have qualified both in technical and financial bidding as per the bid values indicated against each as below.

Sl. No.	Name of the Contractor	Bid Value	Less	Remarks
1.	Sri Rajanikanta Mishra	584528.46	14.99%	Awarded work order on Lottery basis

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2.	Sri BhaktiknataMohapatra	584528.46	14.99%	
3.	Sri IswarakumarDalei	584528.46	14.99%	
4.	Sri Mahendra kumara behera	618839.68	10%	
5.	Sri UtakaiKesarNayak	618839.68	10%	
6.	Sri SusilkumarSahoo	584528.46	14.99%	
7.	Sri Gagankumarpattanaik	584528.46	14.99%	
8.	Sri Sukanta kumara Rout	584528.46	14.99%	
9.	M/S Subas Chandra pattanaik	584528.46	14.99%	
10.	Sri Prasanta kumara sethi	618839.68	10%	
11.	Sri Subash Chandra Behera	584528.46	14.99%	
12.	Sri Janmejyamaalik	618839.68	10%	

As per OPWD Code, S.C/S.T bidder can avail additional 10% margin over their bid value for consideration of their illegibility of BOQ in the Tender process. The additional 10% margin is only considered for awarding work order in respect of their Bid values. However the work should be awarded at the highest less percentage of the Bid values of the contractors. But in the above work all the 12 (Seven) bidders have qualified both in their technical and financial bids. Therefore the work order was awarded in the lottery system in which the bidder Sri SriUtakaiKesarNayak was the winner of the work order.

However without any negotiation for completing the work at 14.99% less of the estimated cost, the workorder was given @ 10% less of the estimated value. Therefore undue financial benefit @ 4.99% of estimated value has been extended in the favour of contractor. As such the N.A.C has sustained loss of Rs.34311.22 or say 34311.00/-in the tender process. The details of amount is furnished below.

Bill Payment made		Amount due for payment		Remarks
Work value	687600	Work value	6,87600	
Less as per agreement (-) 10% less	(-) 68760	Admissible less 14.99%	(-)103071.24 or 103071/-	
Net Payment	618840	Net payment	5,84528.00	
Excess payment = Rs.618840.00-584528.00 = Rs.34311				

In response to the audit objection statement the local authority admitted the objection and an amount of Rs 34311/- has been recovered from the executant Utakai Keshari Nayak vide MR NO-9432/28.08.2018. Hence the para is dropped.

15.5 -

2) Excess payment in work :- (Aosp-43)

Name of the Work- Repair and reconstruction of oc road and drain with slab from NAC office Banki Side to charchika temple via Ekadasa House Ward No-10&11

Name of the Contractor-Sri utkai kesari Nayak

Est nos-400291

Name of the Je-Sri Dillip kumar Swain

Name of the AEE-Sri Bishnu charan Padhi,PH Div,Mundail

Vr no-1142/13.02.2018

Head of A/C-14TH Basic Grant

Cr No-38/30.12.2016

M.B No-108(33-40)

Excess payment due to violation of OPWD Code :-

On checking of above Case Record with reference to connecting M.B., it was seen that the following contractors have qualified both in technical and financial bidding as per the bid values indicated against each as below.

Sl. No.	Name of the Constructor	Bid Value	Less	Remarks
1	Sri BijuMohapatra	340288.02	14.99%	
2	Sri Mahendra kumara behera	360262.57	10%	
3	Sri UtakaKesarNayak	360262.57	10%	
4	Sri SusilkumarSahoo	340288.75	14.99%	
5	Sri Gagankumarpattnaik	340288.02	14.99%	

6	Sri Sukanta kumara Rout	340288.02	14.99%	
7	Sri Prasanta kumara sethi	360262.57	10%	
8	Sri Subash Chandra Behera	340288.02	14.99%	
9	Sri Janmejyamatik	360262.57	10%	

As per OPWD Code, S.C/S.T bidder can avail additional 10% margin over their bid value for consideration of their illegibility of BOQ in the Tender process. The additional 10% margin is only considered for awarding work order in respect of their Bid values. However the work should be awarded at the highest less percentage of the Bid values of the contractors. But in the above work all the 12 (Seven) bidders have qualified both in their technical and financial bids. Therefore the work order was awarded in the lottery system in which the bidder Sri SriUtakaKesarNayak was the winner of the work order. However without any negotiation for completing the work at 14.99% less of the estimated cost, the work order was given @ 10% less of the estimated value. Therefore undue financial benefit @ 4.99% of estimated value has been extended in the favour of contractor. As such the N.A.C has sustained loss of Rs19712/- or say 19712.00/- in the tender process. The details of amount is furnished below.

Bill Payment made		Amount due for payment		Remarks
Work value	400291	Work value	400291	
Less as per agreement (-) 10% less	(-) 40291	Admissible less 14.99%	60003.62	
Net Payment	360000	Net payment	340288	
Excess payment = Rs.360000.00 - 340288.00 = Rs.19712				

In response to the audit objection statement the local authority admitted the objection and an amount of Rs 19712/- has been recovered from the executant utkal kesari nayak vide MR NO- 9433/28.08.2018. Hence the para is dropped.

15.6 -

EXCESS PAYMENT IN WORKS-(AOSP-61)

Name of the Work : Constrn of cc guard wall from madan mohan pati house to prasanta pati house in ward no-5

Name of the Contractor : Sri Hiralala sutar

Estt. Cost : Rs.98860

Name of the J.E : Sri Dilip Kumar Swain,

Name of the A.E.E. : Sri Bishnu charan Padhi, P.H Div. Mundali,

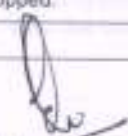
Head A/c : 14 th F.C Basic Grant

C/R No.51/30.10.2017

Excess payment due to allowing the rate of Centring & shuttering twice :-

On checking of above Case Record with reference to connecting M.B., it was seen that the the rate of cement concrete (1:1½:3)work was provided @ Rs 5042.25 / cum which included the cost of centring & shuttering. However again vide item no.6 of the file the item of rigid and smooth centering & shuttering was provided for 87 sq.mtr. area @ Rs.85.53 / sqm. @ Rs.7441.11. As the centering rates has already been provided in C.C. (1:2:4) work item the payment of Rs. 7441.11 or say 7411/- can not admitted in audit. Why the above said amount will not be suggested for recovery may comply before audit.

In response to the audit objection statement the local authority admitted the objection and an amount of Rs3411/- has been recovered from the executant Hiralal sutar vide MR NO-9434/28.08.2018. Hence the para is dropped.


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N.A.C.,BANKI

15.7 -

Excess payment in work -(AOSP-64)

Name of the Work : Constn. of cc road from paria pradhan house to Dola padia in ward no-

Name of the Contractor : Sri Dilip kumar Rout

Estt. Cost : Rs.99754

Name of the J.E : Sri Dilip Kumar Swain,

Name of the A.E.E : Sri Bishnu charan Padhi, P.H Div. Mundali,

Head A/c : creation of capital assets

C/R No 41/07.03.2017.MB-108/84-90

Vrb no-557/11.09.2017

(Excess payment due to allowing inadmissible spreading cost of Crusher Dust :-

On checking of above Case Record with reference to connecting M.B., it was seen that in the abovework 13.43 cum of Grade-II metalling to WBM specification has been executed in the road sub base below which the sub base of crusher dust not exceeding 100 mm was executed for 13.43cum. But as per IRC specification for metalling of 13.43cum, crusher dust @ 30% of quantity of Grade - II metal i.e.4.02cum is required for its consolidation. But in the work bill no provision of crusher dust for consolidation was provided.As such it is construed that 4.02 cum of crusher dust has been utilized in the Grade-II metalling work against which spreading rate has been allowed. Thus the cost spreading of 4.02 cum of crusher dust @ 610.84/ cum amounting to Rs 2461.07 or say 2461/- was not admissible and needs recovery.

In response to the audit objection statement the local authority admitted the objection and an amount of Rs 2461/- has been recovered from the executant Dilip kumar Rout vide MR NO-9428/28.08.2018. Hence the para is dropped.

15.8 -

Excess payment in works-(Aosp-65)

Name of the Work-Repair and reconstruction of cc road from malik house to Rama prusty house in Ward no-12

Name of the Contractor-Sri Prasanna kumar Behera

Estt. cost-75576

Name of the Je-Sri Dilip kumar Swain

Name of the AEE-Sri Bishnu charan Padhi,PH Div.Mundali

Vr no-568/11.09.2017

Head of A/C- creation of capital assets

Cr No-37/29.11.2016

M.B No-111(35-40)

Excess payment due to allowing inadmissible spreading cost of Crusher Dust :-

On checking of above Case Record with reference to connecting M.B., it was seen that in the above work 5.25 cum of Grade-II metalling to WBM specification has been executed in the road sub base below which the sub base of crusher dust not exceeding 100 mm was executed

for 5.25cum. But as per IRC specification for metalling of 5.25cum, crusher dust @ 30% of quantity of Grade – II metal i.e. 1.575cum is required for its consolidation. But in the work bill no provision of crusher dust for consolidation was provided. As such it is construed that 1.575 cum of crusher dust has been utilized in the Grade-II metalling work against which spreading rate has been allowed. Thus the cost spreading of 1.575 cum of crusher dust @ 610.84/ cum amounting to Rs 962.07 or say 962/- was not admissible and needs recovery.

In response to the audit objection statement the local authority admitted the objection and an amount of Rs 962/- has been recovered from the executant Prasanna kumra Behera vide MR NO-9429/28.08.2018. Hence the para is dropped.

15.9 -

1) Excess payment in works:-

Name of the Work : Constn of Market Yard in Ward no-10(Phase-1)

Name of the Contractor : Sri Jitenkumar Nayak

Estt. Cost : Rs.653903

Name of the JE-Sri Dillip kumar Swain

Name of the AEE-Sri Bishnu charan Padhi, PH Div, Mundali

Head A/c : Devolution fund

C/R No.32/31.05.2017, MB-101/18-38

Vr no-285/22.06.2017-569/11.09.2017

(Excess payment due to allowing 1.1.1/2.3 in place of M-20:-

As per the model estimate of the cc road of ULBS, M-20 grade composition should be used in place of 1:1.1/2.3 but in this case record 1:1.1/2.3 is use for approach road to the toilet.

The detailed configuration of calculations are given below - As per case record (estimate) the calculation of measurement for the approach road to the toilet is-

$$1 \times 6.50 \times 2.50 \times 10 = 1.63$$

$$2 \times 6.50 \times 1.50 \times 15 = 2.93$$

$$1 \times 11 \times 4.50 \times 10 = 4.95$$

$$9.50 @ 6347.70 = 60303.15$$

But as per the model estimate the actual expenditure through M-20, it should be $9.50 @ 5168.53 = 49101.04$. The excess payment of 11202.11/- or say 11202/- is not admitted in audit. In response to the audit objection statement the local authority admitted the objection and an amount of Rs 11202/- has been recovered from the executant Jiten kumar Nayak vide MR NO-9431/28.08.2018. Hence the para is dropped.

2) As per item-8 for construction of cowcatcher, 1:1.1/2.3 is used in place of M-20 which is not admitted in audit - As per the estimate For cowcatcher the configuration is $-2 \times 6.50 \times 30 \times 75 = 2.93 \text{ cum} @ 6347.70 = 18598.76$ but the admissible rate for cowcatcher is $-2 \times 6.50 \times 30 \times 75 = 2.93 \text{ cum} @ 5168.53 = 15143.79$. The excess paid amount of 3454.97 or 3455/- is not admissible in audit. In response to the audit objection statement the local authority admitted the objection and an amount of Rs 3455/- has been recovered from the executant Jiten kumar Nayak vide MR NO-9430/28.08.2018. Hence the para is dropped.

15.10 -

Name of the Work : Repair and restoration of fish market to Guli vegetable shop ward no-10

Name of the Contractor : Sri Rabindranath saho



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Estt. Cost : Rs-89955

Name of the J.E : SriDillipkumar swain

Name of the AEE-Sri Bishnu charan Padhi,PH Div,Mundal

Head A/c : Devolution fund

MB-111/85-88-28vr no-1075/1.02.2018

(Excess payment due to allowing 1.1.1/2.3 in place of M-20:-

As per the model estimate of the cc road of ULBS ,M-20 grade composition should be used in place of 1:1.1/2.3 but in this case record 1:1.1/2.3 is used.The detailed configuration of calculations are given below - As per item-3 , $10.27 \times 5649.50 = 48585.70$ given ,But as per the model estimate the actual expenditure through M-20 ,it should be $10.27 \times 4378.46 = 44966.78$.The excess payment of 3618.92/- or say 3619/- is not admitted in audit and it needs for recovery .In response to the audit objection statement the local authority admitted the objection and an amount of Rs 3619/- has been recovered from the executant Rabindra nath sahu vide MR NO-9437/28.08.2018 .Hence the para is dropped.

15.11 -

Name of the Work : Constn.of community and conference hall of NAC ,BANKI

Name of the Contractor : Sri Prasanna kumar Behera

Estt. Cost : Rs.565913

Name of the J.E : Sri Dillip Kumar Swain,

Name of the A.E.E. : Sri Bishnu charan Padhi, P.H Div. Mundali,

Head A/c : Kalyani Mandap

MB-114/22-28

Vr no-1140/13.02.2018

Excess Payment in Works-

(Excess payment in Works-)

13827/16/9/2017-As per th revised scheduled rate 2014 effected from 1/07/2017 and memorandum no-12845/cu10/11/2014

Stands modifies accordingly.

As per the above guidelines after 1.07.2017 new rate should be implied ,But in this case record it is deviated i.e as per item no-3 Rcc work M-20@6.02 cum=@5281.79=31795.83but as er the new rate schedule it is M-20=6.02 cum@4378.46=26358.33. Hence the excess amount of 5437.50 is not admitted in audit and needs recovery from the executant.

In response to the audit objection statement the local authority admitted the objection and an amount of Rs 5438/- has been recovered from the executant Sri Prasanna kumar Behera vide MR NO-9439/18.09.2018 .Hence the para is dropped.

15.12 -

Common Irregularities noticed during checking of works case records:-

1. Estimate are not done completely. Only arithmetical calculations are found which are devoid of technical details.

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Executive Officer
N.A.C.,BANKI

2. Preliminary investigation report is not obtained prior to preparation of plan and estimates.
3. Approved lead statement accompanied by approved quarry charts have not been enclosed in case records.
4. In case of renovation/restoration works, the previous history of the work has never been enclosed in estimates.

Approved project list is not attached with the case records to justify the opening of case records instantly

5. In most cases timely completion of the project is found lagging.

Works Register is not maintained in proper format which provides ample scope for double payment

1. Details of land schedule is not furnished in each case record. Hence the stages of the project and its utility by the public is ambiguous.
2. Completion Certificate is not found in case records after the project is closed.

10. Analysis of rate is not attached to the works file.

However, it is suggested to keep all the above documents in CRs and produce the works case records hence forth along with the said enclosures for better transparency of the payment of work bills and checking of the genuineness of the payment

PARA: 16 AUDIT ON UNITS / DEPARTMENT

16.1 -

No expenditure incurred on trading account operation for the welfare or the convenience of the inhabitants in the NAC.


PARA: 17 AUDIT ON SCHEMES / PROGRAMMES

17.1 -

Procurement of goods equipment without following due tender Process :-

The objectives of this thematic audit is to examine whether due tender procedure have been followed for procurement of high value goods . On verification of different purchased file for the year 2015-16 to 2017-18. it is noticed that some electrical goods are purchased but the tender files could not be produced before audit for verification. (The details of purchase file given below in details)-

SL NO	NAME OF THE ITEMS PURCHASED	PURCHASE FORM	YEAR OF PURCHASE	VOUCHER NO & DATE	AMOUNT OF PURCHASE
1	Electrical item for street light materials	Omm sai electricals BBBSR	2015-16	830/7.11.2015	177976
2	Street light materials	Do	2015-16	834/7.11.2015	488314
3	Electric material	Do	2015-16	1013/28.12.2015	199881
4	CC tv camera	RK Enterprises, BBBSR	2015-16	1020/31.12.2015	130000
5	LED Semi high max	Omm sai electricals BBBSR	2016-17	95/28.04.2016	1318166
6	street light materials	Omm sai electricals BBBSR	2016-17	288/1.07.2016	305172
7	street light materials	Omm sai electricals BBBSR	2016-17	289/1.07.2016	871877
8	Street light materials	Omm sai electricals BBBSR	2016-17	691/25.10.2016	499615


Executive Officer
N.A.C., BANKI

9	Street light materials	Omm sai electricals BBBSR	2016-17	692/25.10.2016	84009
10	Electrical pole related accessories	-	2017-18	34/17.4.2017	255164
11	Electric materials for street light	Omm sai electricals BBBSR	2017-18	408/24.07.2017	167758
12	Biju pattanaik statue	sanjay mohanty	2017-18	555/8.09.2017	103500
					4601432

During Exit conference the local authority replied that the above non produced tender files will be produced before next audit till then an amount of 4601432/- is kept under objection.

Para-17-1-1-

The purchase /procurement file of ULBS for last 3 yrs i.e 2015-16 to 2017-18 are not examined along with tender files except some tender files of electric goods

Para-17-1-2-objectives of thematic audit-

As per Rule 2 of Appendix-6 Of OGFR vol-II except for articles obtainable from firms on rate contract approved by the Director General of supplies and disposals, Government of India or Director of Export promotion and marketing, Government of Odisha, and from the cooperative agencies duly registered under cooperative societies Registration Act, sealed tenders should be invited giving wide publicity for the purchase of articles, the value of which exceed Rs 50000/-

Para-17-1-3-criteria-

While examining the tender process and award of contract for procurement of Goods, as per the OM No-4939/F Dtd.13.02.2012 of Finance Deptt.

Para-17-1-4- Audit findings with conclusion-

It is noticed that some electrical goods are purchased, whether due procedure followed for purchasing this item or not may comply before audit.

Para-17-1-5-Suggestions and Recommendations-Recommendation:- Executive officer should follow the following guide lines as prescribed under OM No-4939/F Dtd.13.02.2012 of Finance Deptt during procurement of goods

17.2 -

SCHEME STUDY :-

Members of Parliament Local Area Development Scheme MPLAD is a scheme formulated by Govt. of India on 23 December 1993 that provides that each member of parliament of India has the choice to suggest to the Head of the districts, works to the tune of Rs 5 crore per year, to be taken up in his constituency. Initially, this scheme was administered by Ministry of Rural Development. Later, in October 1994, Ministry of Statistics and programme implementation MOSPI has been looking into its working. Elected Members of Rajya Sabha representing the whole of the state as they do, may works for implementation in one or more districts as they may choose. Nominated members of the Lok Sabha and Rajya Sabha may also works for implementation in one or more districts, anywhere in the country. The allocation per MP per year stands increased to 2 crore from the year 1998-1999 which has been further enhanced to 5 crore from the year 2011. **Deficiency found in the implementation of MPLAD Scheme:-**

01) There is no separate savings bank account has been maintained for MPLAD scheme as per para 4.14.1 and 5.1 of MPLAD Guideline.

02) Non completion of project within due time:-As per para 3.13 of MPLAD guideline 2012 all projects taken up under MPLAD scheme should have been completed within one year.

03) No MPR showing physical and financial progress of the above work has been submitted to the Nodal department as per para 6.5(ii) of MPLAD guideline 2012.

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N.A.C., BANKI

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The funds received by the NAC is very poor. The local authority is suggested to take necessary steps to receive more funds under MPLAD and utilize the same in developmental works of the NAC area and to avoid such lapses in future with conformation the scheme guideline.

17.3 -

The target and achievement of figures of different schemes for the year 2017-18:-

Name of the scheme	O.B as on 1.04.2017	Financial Achievement				Physical Achievement					%of achievement
		Funds received during 2017-18	Total	Expenditure	unspent balance at the end of yer as on 31.03.2018	No of spill over project from previous year	No of project for current year	TOTAL	No of project complete during the year 2017-18	No of spill over project to next year	
Devolution fund	7309726	4796000	12105726	3848547	5257179	23	20	43	31	12	72.00%
13th/14th FGA	6922673	7310000	14232673	2849607	11383066	14	31	45	31	14	68.00%
Roads & Bridges	911207	2007000	2918207	2255173	663034	4	20	24	20	4	83%
Motor vehicle tax	892678	1410000	2402678	1065171	1337507	20	13	33	13	20	39%
MPLAD	335437	450000	785437	0	785437	1	0	1	0	1	0.00%
MLA LAD	1487428	0	1487428	398565	1088863	23	5	28	5	23	17.00%
Total :	17959149	15973000	33932149	10417063	20515086	85	69	156	68	74	279.00%

PARA: 18 MISCELLANEOUS

18.1 -

Execution status of the previous audit Report(objectionable and surchargeable status):-

On verification of the previous year A.R NO-365588/AR/2017-18 of Banki NAC,It is noticed that an amount of Rs.22399091.00 is held under objection because of non production of some records and an amount of Rs. 259050.00 is suggested for recovery because of excess and in -admissible payment.

During Exit conference the local authority replied that necessary steps will be taken and produced before next audit.


18.2 -

Comments on Grievance redressal system:-

A Grievance or Complain Register for 15-16 was produced to audit for verification. Three numbers of complains have been received which have been solved during the year under audit.

Particulars based on complain/grievance register	No of complaints
Complaints pending for disposal at the beginning of the year	0
Complaints received during the year	2

Executive Officer
N.A.C.,BANKI


Executive Officer
N.A.C.,BANKI

Total	
Complaints disposed off during the year	
Complaints pending for disposal at the end of the year	

Therefore the local authority is suggested to maintain a Complaint/grievance register henceforth with proper publicity in the office and NAC area.

18.3 -

Quarter Position of the NAC:-

Objection memo was issued to produce information relating to residential accommodation or quarter position of the NAC. The E.O stated that there are two quarters under the control of NAC near Banki Block colony which were allotted to Executive Officer and Junior Engineer of the NAC. Executive Officer is suggested to communicate with higher authority for receipt of funds for construction of more quarters and one Guest house for the NAC.

18.4 -

The position of SOAP/MBPY/ODP/NOAP for the year 2017-18-

Sl no	Particulars	Amount	Remarks
1	Opening balance as on 1.04.2017	5259700	
	Receipt during the year	7554900	
	Total	12814600	
	Disbursed during the year	7260000	
	Closing balance at the end of the year	5554600	

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

19.1 -

ROYALTY	349,327.00	372,086.82	721,413.82	372,026.00	349,387.82
VAT	46,683.00	784,808.32	831,491.32	228,759.00	802,732.32
CESS	22,383.00	148,111.06	170,494.06	148,111.00	22,383.06
IT		148,113.00	148,113.00	148,113.00	
PT	605.00	83,750.00	84,355.00	83,750.00	605.00
TOTAL	418,998.00	1,536,869.20	1,955,867.20	980,759.00	975,108.20

From the above, it would be seen that as on 31.03.2018, a sum of Rs.975108.20 has been outstanding for deposit towards Govt. dues such as Royalty, VAT, CESS and P.Tax, IT, etc. At the time of exit conference the Executive Officer assured to take appropriate steps for deposit of all outstanding Govt dues during the current session.



Executive Officer
N.A.C., BANKI

19.2 -

As per Rule 149 of the Odisha Municipal Rules, 1953 a Loan Register is to be maintained (Form No XXVII). Further, Rule 150 of the Odisha Municipal Rules, 1953 envisages that the loan amount shall not be appropriated even temporarily to any object other than that for which the loan was raised. But during audit no such Loan Register was maintained and produced before audit for verification.

The position of outstanding Loan as per previous Audit Report as on 31-03-18 is furnished below:-

Sino	Particulars	Amount	Remarks
1	O.B as on 1.04.2017	1148328	
	Loan receipt during the year	0	
	Total	1148328	
	Loan repaid during the year	0	
	Closing balance of loan 31.03.2017	1148328	

Therefore the local authority is advised to clear all the outstanding loan amounts by creation of sinking fund and compliance reported.

19.3 -

As per Rule - 142 of O.M. Rules 1953 Deposit Ledger is to be maintained and as per Rule 143 of O.M. Rules 1953 list outstanding deposits are to be maintained at the close of every quarter. But in this Municipality neither deposit ledger has been maintained nor list of outstanding deposits at the close of every quarter have been worked. However basing upon the last audit report and the records made available to audit the position of deposit for the year 2017-18 is furnished below.

Sl no	Particulars	Amount	Remarks
1	Deposits at the beginning of the year as on 1.04.2017	93942	
	Received during the year 2017-18	1009805	
	Total	1103747	
	Deposit during the year	811257	
	closing balance	292490	

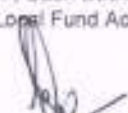
As required under Rule 142 and under Rule 143 of Odisha Municipal Rules, 1953, the deposit ledger and register of outstanding deposit has not been maintained by this NAC. Due to non maintenance of above register there is a possibility of refund of excess deposit or double refund of deposits which would cause the loss of NAC fund. Therefore the local authority is advised to maintain the above registers for safe guard of NAC fund.

19.4 -

Position of CPF/EPF(osp-19):-

As per Rule 436 of O.M. Rules, 1953 every council shall maintain and administer a provident fund. As per Rule 445 of O.M. Rules, 1953 the amount deducted from the pay bills as provident fund deductions and the contributions paid by the Council and other sums relating to the provident fund shall be lodged in the Government treasury and a separate cash book shall be maintained. The whole or any portion of such deduction, contributions and other sums relating to provident fund may be withdrawn from the treasury at such intervals as may be necessary for investment in interest bearing securities or deposits.

As per Rule 446 of O.M. Rules, 1953 investments shall be made as early as practicable in the form of securities or deposits specified in the rule. As per Rule 446 of O.M. Rules, 1953 the provident fund ledger, Abstract register, Cash Book and other records of the fund shall be examined monthly by the Executive Officer and shall be audited by the Examiner of Local Fund Accounts.


Executive Officer
N.A.C., BANKI

On scrutiny of the records, it is noticed that

01) Neither separate Cash book nor provident fund ledger maintained in this NAC.

02) The amount deducted from the pay bills as provident fund deductions and the contributions paid by the Council and other sums relating to the provident fund has not been lodged in the Government treasury in contravention of O.M. Rule 442 rather the CPF fund has been kept in savings bank accounts of individual employees.

Particulars	Position of CPF account	Position of EPF account	Remarks
O B as on 1.04.2017	58,484.00	0	
Amount deducted during 2017-18	7,70,347.00	454918	
Total	711863	454918	
Amount deposited during 2017-18	58,484.00	454918	

PARA. 20 RESULT OF AUDIT AND CONCLUSION

20.1 -

Maintenance of account of the NAC is not satisfactory due to the following reasons.


- The NAC has not adopted the computerized accounting systems till date.
- The internal sources of income is far too low in comparison with the expenditure due to engagement of staff beyond the approved strength and without approval of the Govt. As a result, the Municipality is meeting its day to day expenditure from Octroi compensation grant which is quite irregular.
- Huge Govt. dues or taxes outstanding for remittance to Govt. exchequer as on 31-03-17.
- Huge amount of unadjusted advances.
- The misappropriation as described in Para-11.
- Non maintenance of DCB Register of Taxes, duties and Shop Room Rent collection.
- Huge amount of pendency of U.C. for submission.
- Non maintenance of stock account.

Suggestion:-

For strengthening of the financial position and enforcing financial discipline of the Local Authority, following suggestions are given below.

- Regular reconciliation of Cash Book with bank pass book.
- Proper maintenance of DCB Register.
- Enforcement of provision led U/S 161, 162, 163 & 201 of the Odisha Municipal Act.
- Assessment of new holdings.
- Revaluation of Old Assessed cases, if any.
- Utilisation of Grants under public conveyance (which was remain unutilised) and the asset may be utilised in PPP mode, in order to avoid loss.
- Maintenance of Asset Register and constant monitoring of the assets for generation of own fund.

Para : 20.1


Executive Officer
N.A.C., BANKI

Recommendation:-

For strengthening of the financial position and enforcing financial discipline of the urban local bodies may follow the suggestions given below.

- 1) Collection of long outstanding taxes and other dues through special drive.
- 2) Enforcement of provision led u/s 161, 162, 163 and 201 of the Odisha Municipal Act.
- 3) Survey of new holdings by collecting dates from different sources like from electric department on new electricity connections within the NAC area.
- 4) Assessment of new holdings.
- 5) Revaluation of old assessed cases, if any.
- 6) Utilisation of Grants under public conveyance (which was remain unutilised and the asset may be created).
- 7) Maintenance of Asset Register and constant monitoring of the assets for generation of own fund.
- 8) Adoption of intra district transfer system among Tax collectors to maintain uniformity in distribution of manpower.
- 9) Grievance redressal system to be online so that citizen can assess the status of his grievance.
- 10) Introduction of suitable cadre for the post of Executive Officer.

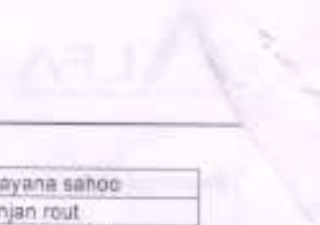
As a result of this Audit transactions involving a sum of Rs 7374931.00 are held under objection which include an amount of Rs 307353.00 suggested for recovery. Besides, a sum of Rs 131513 was recovered at the instance of audit. The details are furnished in the following tables.

Result Of Audit

Sl 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 Other cases (In Rs.)	Remarks
1	8.1	104000.00	104000.00	104000.00	0.00	0.00	
2	11.9	300.00	300.00	300.00	300.00	0.00	
3	13.4	203053.00	203053.00	203053.00	0.00	0.00	
4	14.2	0.00	509867.00	0.00	0.00	0.00	
5	14.3	0.00	808297.00	0.00	0.00	0.00	
6	15.1	0.00	1147982.00	0.00	0.00	0.00	
7	17.1	0.00	4601432.00	0.00	0.00	0.00	
Total		307353.00	7374931.00	307353.00	300.00	0.00	

Spot Recovery

Sl No	Ref to Para No/Audit Objection Statement Page No	M.R.No	Date	Amount (In Rs.)	Name of the person
1	15-11	9439	2018-09-18	5438	Prasanna kumar Behera
2	14-09	9436	2018-08-28	191	Bijaya kumar Raj
3	11-10	9425	2018-08-14	600	Narayana Mohapatra
4			2018-08-28	0	
5	15.9	9431	2018-08-28	11202	Jiten kumar Nayak
6	15.10	9437	2018-08-28	3619	Rabindra nath saho
7	15.8	9429	2018-08-28	962	Prasanna kumar Behera
8	15.9	9430	2018-08-28	3455	Jiten kumar Nayak
9	15.7	9428	2018-08-28	2461	Dilip kumar Rouf
10	15.6	9434	2018-08-28	3411	dilip kumar swain
11	15.5	9433	2018-08-28	19712	utkal kesari nayak
12	15.4	9432	2018-08-28	34311	Utkal kesari Nayak



13	15.3	9436	2018-08-28	6312	Rabinarayana saho
14	11.7	9424	2018-08-14	600	Manoranjan rout
15	15.2	9435	2018-08-28	6158	Rabinatrayan saho
16	11.8	9422	2018-08-14	3500	Ramachandra Manguata
17	11.6	9418	2018-08-14	1000	pitambara Nayak
18			0000-00-00	0	
19	11.4	9417	2018-08-14	5000	pramod kumar barik
20	11.3	9426/	2018-08-14	10	narayan mohapatra
21	11.3	9423	2018-08-14	541	pitambara nayak
22	11.2	9419	2018-08-14	2020	pitambara nayak
23	11.1	9420	2018-08-14	100	Narendra Prusty
24	11.1	9421	2018-08-14	210	Pitambar Nayak
25	11.5	deposited in subsidiary cash book	2018-06-20	20700	Bjay Kumar Raj
				Total	131513

Audit Certificate

Certified that the accounts of Banki 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 .

Approved by:
District Audit Officer
Local Fund Audit,CUTTACK


**Executive Officer
N.A.C.,BANKI**