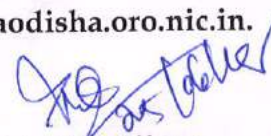


**OFFICE OF THE DISTRICT AUDIT OFFICER  
LOCAL FUND AUDIT, CUTTACK.**

**E-mail I D: daokatak@gmail.com Phone No: 0671-2366660,2366661**

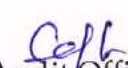
Memo No. 4062 /L.F.A.(CTC) Dt. 25.6.2018

Copy of A.R. bearing A.R. No. 365588/17-18 for the year 2016-17 consisting of 70 ( seventy ) pages submitted to the Executive Officer, Banki NAC , Banki, 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 NAC 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.oro.nic.in](http://DLFA-lfaodisha.oro.nic.in).

  
District Audit Officer  
Local Fund Audit, Cuttack


Memo No. /LFA(CTC) Dtd.

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

  
District Audit Officer  
Local Fund Audit, Cuttack

Memo No. /LFA(CTC) Dtd.

Copy to Audit Report file.

  
District Audit Officer  
Local Fund Audit, Cuttack

  
Executive Officer  
N.A.C., BANKI

**LOCAL FUND AUDIT, CUTTACK, ODISHA**

CATEGORY : N A C

Audit Report No : 365588/AR/2017-2018-CUTTACK

**PARA: 1 TITLE SHEET**

1	Name of the Institution :	Banki N.A.C.
2	Year of Accounts under Audit :	2016-2017
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 :	12-02-2018 To 16-03-2018 (Mandays Consumed :- 19)
5	Name of the Auditors :	KAILASH CH. DAS - Auditor(12-02-2018 to 16-03-2018) KALPATARU MANGARAJ - Lead Auditor(12-02-2018 to 16-03-2018)
6	Name of the Reviewing Officer :	SURENDRA CH. MISHRA(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	18-04-2018
8	Entry Conference Date :	08-02-2018
9	Exit Conference Date :	24-04-2018
10	Name of the District Audit Officer :	PRAMOD KUMAR ROUT
11	Date of approval of report by District Audit Officer :	31-05-2018

**Para1.1 :- 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

*[Signature]*  
22/7/18  
**Executive Officer**  
**N.A.C., BANKI**

**PARA: 2 PHYSICAL VERIFICATION**

S/no	Items	Date Of Physical verification Before / After Transaction	Physical Balance	Balance As per Cash Book / Stock Register	Reference To The Page No Of Cash Book / Stock Register	Discrepancies If Any
1	Service Fees Receipt Books.	12.02.2018	49	49	SRP No.62, Vol-II	
2	Ambulance Receipt Books.	12.02.2018	01	01	SRP No.55, Vol-I	
3	M.B.Books	12.02.2018	10	10	SRP No.65, Vol-II	
4	Holding Tax Receipt Books.	12.02.2018	31	31	SRP No.65, Vol-II	
5	User Fees Receipt Books.	12.08.2018	102	102	SRP No.50, Vol-II	
6	Misc. Receipt Books.	12.02.2018	115	115	SRP No.07	
7	Parking Fees Receipt Book.	12.02.2018	164	164	SRP No.22	
8	Cash in hand	12.02.2018	0.00	0.00	Page no.146 of Subsidiary Cash Book.	
9	Service Postage Stamp	12.02.2018	120.00	120.00	SRP No.35	

**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, and Service postage stamps etc. has been conducted on the date of commencement of audit i.e. on 12.02.2018 before transaction and the result of verification is furnished above. The result of physical verification found tallied with Cash Book and Stock Register.

  
22/7/18  
**Executive Officer**  
**N.A.C., BANKI**

**PARA: 3 LIST OF VERIFIED RECORDS**

**A : List Of Verified Records/Register**

S/no	List Records/Register	Rules	Form No
1	Contract Certificate	Rule 343	Form W-IV
2	Contract Agreement Form	Rule 341	Form W-III
3	Nominal Muster Roll (NMR)	Rule 340	Form W-II
4	Register of Estimates & Allotments	Rule 332	Form W-I
5	Stock account of Receipt Forms	Rule 196	Form L
6	Tax collector's daily collection register	Rule 192	Form K
7	Register of writes off of demands	Rule 190	Form J
8	Tax Receipt Form	Rule 188	Form I
9	Arrear Demand Register	Rule 187	Form H
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	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
14	Register of Grants	Rule 80	Form No. XLII
15	Daily Collection Register	Rule 171	Form No. XL
16	Arrear List	Rule 170	Form No. XXXIX
17	Ledger of Lessees	Rule 170	Form No. XXXVIII
18	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
19	Miscellaneous Receipts	Rule 157	Form No. XXXIV
20	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
21	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
22	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
23	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
24	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
25	Advance Ledger	Rule 136	Form No. XVIII
26	Register of adjustments	Rule 132	Form No. XVII
27	Abstract Register of Expenditure	Rule 129	Form No. XVI
28	Abstract Register of Receipts	Rule 129	Form No. XV
29	Cash Book of the municipality	Rule 125	Form No. XIV
30	Salary Bills	Rule 97	Form No. IX
31	Order Book	Rule 96	Form No. VIII
32	Register of Bills	Rule 96	Form No. VII
33	Challan	Rule 87	Form No. VI
34	Subsidiary Cash Book	Rule 128 A	Form No. V-A
35	Cashier's Cash Book	Rule 81	Form No. V
36	Schedule for the Budget Estimate	Rule 77	Form No. III
37	Abstract of the Budget Estimate	Rule 74	Form No. I-A
38	Budget Estimate	Rule 74	Form No. I
39	Miscellaneous Supply Bill	Rule 343	Form W-V
40	Register of Works	Rule 345	Form W-VI
41	Stock & Store Register of Municipality	Rule 346	Form W-VII
42	Measurement Book	Rule 365	Form W-VIII

**B : List of Records/Registers not Produced to Audit**

S/no	List Records/Register	Rules	Form No
1	Tax collector's Ledger	Rule 198	Form M
2	Register of Outstanding Advances	Rule 140	Form No. XIX

**C : List of Records/Registers not Maintained**

S/no	List Records/Register	Rules	Form No
1	Register of Distraigned property & sales	Rule 204	Form S

2	Warrant register	Rule 202	Form R
3	Form of inventory & Notice	Rule 203	Form Q
4	Distrain Warrant Register	Rule 202	Form P
5	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
6	Progress statement of collection of taxes	Rule 200	Form N
7	Mutation Register	Rule 184	Form G
8	Register of Petitions	Rule 183	Form F
9	Form of appeal petition	Rule 183	Form E
10	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
11	Assessment List	Rule 177	Form A
12	Register of Interest Bearing Securities	Rule 147	Form No. XLI
13	Jamabandi Register	Rule 170	Form No. XXXVII
14	Register of Lands	Rule 160	Form No. XXXV
15	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
16	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
17	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
18	Loan Register	Rule 149	Form No. XXVII
19	Establishment Audit Register	Rule 146	Form No. XXV
20	Register of outstanding deposits	Rule 143	Form No. XXI
21	Deposit Ledger	Rule 142	Form No. XX
22	Periodical Increment Certificate	Rule 99	Form No. XI
23	Absentee Statement	Rule 97	Form No. X
24	Subsidiary account of special taxes	Rule 79	Form No.-IV

**D : List of Records/Registers not Required**

Sino	List Records/Register	Rules	Form No
1	Stock account of License Number Plates	Rule 155	Form No. XXXII
2	Register of Investments	Rule 148	Form No. XXVI
3	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
4	Permanent Advance Account	Rule 108	Form No. XII

**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,

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

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.

At the time of exit conference referring to non-maintenance of certain prescribed registers, deposit ledger, Loan Register, Assets Register, Grant and U.Cs Register a discussion was made regarding the risk involved and consequences thereof due to such non-maintenance. The Executive Officer agreed to ensure the maintenance of such records.

  
Executive Officer  
N.A.C.,BANKI

**PARA: 4 FINANCIAL POSITION**

Banki N.A.C. - 2016-2017

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	All Cash Book.	01-04-2016	4736686 0.00	62415218. 00	10978207 8.00	63942910. 00	31-03-2017	4583916 8.00	31-03-2017	4583916 7.06	0.94	
	<b>GRAND TOTAL</b>		<b>4736686 0.00</b>	<b>62415218. 00</b>	<b>10978207 8.00</b>	<b>63942910. 00</b>		<b>4583916 8.00</b>		<b>4583916 7.06</b>	<b>0.94</b>	

**Comments**

Details of Closing Balance (Cash Book wise) as on 31.03.2017 :

Sl.No.	Particulars	Amount	Remarks
1.	Accountant Cash Book.	Rs.4,55,14,930.06	
2.	Subsidiary Cash Book.	Rs.3,24,237.00	
	<b>Total :</b>	<b>Rs.4,58,39,167.06</b>	

Details of Closing balance as on 31.03.2017 :

1.	Cash in Hand ( As per Subsidiary cashbook )	3,24,237.00
2.	Cash in Bank /Postal Pass Books	3,10,70,253.51
3.	In P/L Account [Treasury]	1,44,44,676.55
	<b>TOTAL :</b>	<b>4,58,39,167.06</b>

Para : 4.1 Non-maintenance of cash book under Double Entry Accrual Based Accounting System (DEABAS) :- (POM P/15)

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.

In response to audit objection memo, the local authority replied that :- DEBAS is being implemented but it has not been updated. So necessary steps would be taken for its earliest implementation in full-fledged form. The Executive Officer is suggested to maintain the same as soon as possible and produced to next audit.

At the time of exit conference the local authority maintained that the arrear account has already been maintained in DEABAS on outsourcing basis and soon the current year of accounts will be maintained in DEABAS as per the Odisha Municipal Accounts Rule 2012.

**Para : 4.2 : Liquid Assets and Liabilities :**

The position of Assets and Liabilities of the Municipality for the financial year 2015-16 is furnished below.

Liabilities	Amount	Assets	Amount
Unspent balance of grants.	38704412.50	Cash in hand /in Treasury / in Bank accounts / in Post Office.	31394490.51
Loan refundable	1148328.00	Investment	0.00
Unremitted Govt. dues [VAT, CESS, ROYALTY, IT] etc.	401055.00	Advance Recoverable	2655398.00
Refundable deposits, [SD/EMD]	93942.00	Loan recoverable	0.00
Unpaid Bills	8414781.00		
(Electricity)			
Contribution Payable	0.00	Outstanding taxes, rents and rates etc. recoverable.	1793028.00

Other [Name of the liquid liabilities to be specified]	0.00	P.L. A/c. [Cash in Treasury]	14444676.55
Unpaid Salary and Wages.	1053503.00	Amount Surcharged.	
Pension	106466.00		
Special Drive [Sanitation]	0.00		
Sanitation [Privatisation]	175200.00		
Maintenance of Deep Bore Well	0.00		
Total :	11111609.00		50287593.00
Assest Over Liabilities	39175984.00		

From the above table it is seen that the municipality is financially sound. But the internal income of the municipality is not upto the mark. The kind attention of the council as well as higher administrative authority is here by done to take effective steps to increase the internal income by way of collecting arrear dues, revising the rates of different taxes and rents.

Para : 4.3 : 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.

RECEIPTS				
Sl.No.	Head of Accounts	Original Budget Estimate for the year 2016-17	Actual Amount Receipt for the year 2016-17	Remarks
1.	Rent and Taxes	40,10,000.00	21,16,997.00	
2.	License & Other Fees	4,60,000.00	1,76,293.00	
3.	Receipt under special Act	2,00,000.00	0.00	
4.	Revenue derived from Municipal property and powers apart from taxation	48,90,000.00	9,05,484.00	
5.	Govt. Grants	15,96,60,000.00	3,57,46,437.00	
6.	Miscellaneous	1,08,70,000.00	1,45,84,011.00	
7.	Extra Ordinary Debt.	12,00,000.00	8885996.00	
	<b>TOTAL :</b>	<b>18,12,90,000.00</b>	<b>62415218.00</b>	
EXPENDITURE				
1.	General Administration	38,06,000.00	70,12,431.00	
2.	Collection of Tax & Fees	86,90,000.00	31,06,970.00	
3.	Public Safety	16,00,000.00	59,36,075.00	
4.	Public Health	2,02,95,000.00	5936075.00	
5.	Conservancy/ Jalachhatra.	21,00,000.00	43,140.00	
6.	Medical	3,50,000.00	0.00	
7.	Public Convenience / Works etc.	11,89,95,000.00	2,38,94,345.00	
8.	Public Instruction	2,50,000.00	0.00	
9.	Miscellaneous	1,45,50,000.00	1,21,40,562.49	
10.	Extra Ordinary Debt.	99,10,000.00	87,15,551.00	
	<b>TOTAL :</b>	<b>18,05,46,000.00</b>	<b>6,39,42,910.49</b>	

The percentage of deviation between estimated receipt and expenditure and actual receipt and expenditure is furnished below.

RECEIPT			EXPENDITURE		
As per Budget	Actual	%age of variation	As per Budget	Actual	%age of variation
18,12,90,000.00	62415218.00	65.57%	18,05,46,000.00	63942910.49	64.58%

From the aforesaid statistics it is well understood that the budget is a unrealistic budget. The N.A.C authority is suggested to prepare realistic budget as far as practicable with admissible minimum balance, hence forth in accordance with the instructions provided by H & UD Deptt. in this regard.

As per the audit report the total budget estimate of income during the year 2016-17 was Rs. 18,12,90,000.00 against which the actual income was Rs. 62415218.00. Similarly the total budget estimate for expenditure was Rs. 18,05,46,000.00 against which the actual expenditure was Rs. 63942910.49. Thus there was a huge discrepancy between the budget provision of receipt and expenditure with that of the actuals. Regarding the preparation of such unrealistic budget, the E.O. at the time of exit conference assured for preparation of realistic budget. It is noticed that against the budgetary provision of Rs. 38,06,000 under general administration expenditure head a sum of Rs. 70,12,431.00 has been incurred expenditure resulting in excess expenditure of Rs. 32,06,431.00 which is about two hundred percent of the budgetary provision. Similarly under public safety head against the budgetary provision of Rs. 16,00,000.00 a sum of Rs. 59,36,075.00 was incurred expenditure resulting in excess expenditure of Rs. 43,36,075.00. Such wide variation between the budgetary provision and actual expenditure has an adverse impact on fiscal management of the NAC which should be avoided in future.

**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.

At the time of exit conference the E.O. agreed for creation of Sinking Fund and Depreciation Fund for redemption of outstanding Loans and replenishment of Capital Assets.

**Creation of depreciation fund:-**

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

Statement showing the details of receipts of Banki NAC for the year 2016-17				
Sl No	Head of Account	Receipt during 2015-16	Receipt during 2016-17	Remarks
1	2	3	4	5
I	<b>TAXES:-</b>			
	Holding Tax	4,95,339.00	10,41,897.00	
	Light Tax	3,97,677.00	8,33,504.00	
	Water Tax	97,464.00	2,08,376.00	
	Service Tax	17,377.00	33,220.00	
	<b>Total:-</b>	<b>10,07,857.00</b>	<b>21,16,997.00</b>	
II	<b>LICENSE FEE AND OTHER FEES:-</b>			
	User Fees	10,200.00	75,720.00	
	D & O Charges (u/s 290)	17,490.00	47,563.00	
	Trade Licence	0	27,100.00	
	Approval of building plan ( Scrutiny fee)	26,800.00	3,000.00	
	Telephone Tower license fees( installation/Renewal fees)	37,000.00	21,000.00	
	Contractor License Fees.	0	0.00	

*[Signature]*  
23/2/18  
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N.A.C., BANKI

	Hoarding License fees.	0	2,400.00
	Cart and Carriage Tax	0	0
	Unauthorised Construction	0	1,910.00
	<b>Total:-</b>	<b>91,490.00</b>	<b>1,76,293.00</b>
<b>III</b>	<b>REVENUE DERIVED FROM MUNICIPAL PROPERTIES:-</b>		
	Shop Room rent	4,87,419.00	5,83,855.00
	Platform and ground rent	0	0
	Parking Fees	97,015.00	95,374.00
	Market fees	0	0
	Town Hall rents	0	0
	Hire charges of Water tanker	1,43,650.00	1,41,350.00
	Park & Lease of pond/Park etc.	0	34,905.00
	Hire charges of Cess Pool	16,300.00	50,000.00
	Auction of unserviceable items	37,500.00	0.00
	<b>Total:-</b>	<b>7,81,884.00</b>	<b>9,05,484.00</b>
	<b>TOTAL OWN INCOME(I to III):-</b>	<b>18,81,231.00</b>	<b>31,98,774.00</b>
<b>IV</b>	<b>GRANTS AND OTHER CONTRIBUTIONS:-</b>		
	Octroi Compensation Grant	1,11,60,000.00	1,31,78,000.00
	Road maintenance	20,07,000.00	20,07,000.00
	Road Development	12,25,000.00	0.00
	13th FCA	0	0
	MPLAD	9,00,000.00	5,25,000.00
	MLALAD	7,50,000.00	11,00,000.00
	PBI(Performance Based Incentive)	15,69,000.00	0.00
	SJSRY	0	0
	Flood and Cyclone relief	0	0
	Census	35,000.00	9,000.00

Special Problem Fund	0	0
CC Road(UAC)	0	0
Public Toilet(IHHL)	0	0
Childrens Park	0	0
Pension of LFS/Non LFS employees	1,50,000.00	10,00,000.00
Devolution Fund(Led High Max)	0	0
Construction of boundary wall	0	0
Harishcandra Sahayata	4,00,000.00	0.00
Devolution fund	48,22,000.00	48,40,000.00
Festival Grant	0	0
Maint. Of Non residential building	3,00,000.00	3,16,000.00
General Area Basic grant	0	0
Solid Waste Management	0	0
Phailini	0	0
Free Kitchen	0	0
Creation of capital Assets and its maintenance	14,18,000.00	9,60,000.00
Hon SA/TA/DA	59,000.00	62,437.00
14th FCA(Basic Grant)	48,66,000.00	68,00,000.00
14th FCA(Performance Grant)	0	0
MVT	11,86,000.00	12,94,000.00
Community Toilet	0	0
OULM	11,94,000.00	1,90,000.00
NWFF(Construction of house for urban poor)	0	0
General Performance Grant(13 th CFC)	3,64,000.00	0.00
Matsyajibi Housing Scheme(NWFF)	32,11,523.00	0.00

*(Signature)*  
23/6/18  
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	Swachha Bharat Mission	57,78,301.00	0.00
	Bhagabat Tungi	15,000.00	10,000.00
	SDP	2,50,000.00	4,50,000.00
	Arrear Pension and Basic Service	71,67,000.00	25,48,000.00
	Maintenance of Capital Assets.	0	4,57,000.00
	<b>Total:-</b>	<b>4,88,26,824.00</b>	<b>3,57,46,437.00</b>
<b>V</b>	<b>MISCELLANEOUS:-</b>		
	MBPY/IGNOAP/SOAP	70,22,800.00	83,18,800.00
	NFBS	0	0
	Audit Recovery	1,25,929.00	49,759.00
	Interest Money	12,57,948.00	14,31,600.00
	Income Tax	1,48,688.00	231862.00
	Royalty	3,89,004.00	3,93,954.00
	VAT	6,77,328.00	7,15,409.00
	Cost of EGB	46,093.00	29436.00
	ORHDC Loan of Staff	1,62,048.00	1,32,297.00
	KGB Loan	27,000.00	3,24,000.00
	UCO Bank Loan	0	0
	LIC of Staff	4,23,191.00	4,03,449.00
	Education Cess	7,434.00	6,943.00
	Welfare Cess	7,434.00	0.00
	Renewal of contractors license	5,500.00	6,000.00
	CPF of staff	9,01,875.00	8,39,248.00
	PT of staff	61,950.00	73,850.00
	EPF of staff	4,91,839.00	4,75,993.00
	Pension contribution	3,72,106.00	3,53,483.00
	Cost of Tender papers	0	4,49,440.00
	Other Miscellaneous receipts	1,200.00	0.00
	Bhagabat Tungi.	0	0.00

		0	0
	GIS	0	0.00
	RTI	1,48,688.00	1,55,988.00
	Labour Cess	0	0
	Election	0	1,000.00
	Marriage Certificate	0	0
	Salary of MIS	3,45,997.00	0.00
	APSD	26,119.00	0.00
	NFSA	6,450.00	0.00
	Red Cross	0	58,500.00
	National Population Register. (NPR)	0	1,33,000.00
	Add previous Reconciliation difference	0	
	ORHDC Loan of Staff		
	<b>Total:-</b>	<b>1,26,56,621.00</b>	<b>1,45,84,011.00</b>
<b>VI</b>	<b>EXTRA ORDINARY AND DEBTS:-</b>		
	Adjustment of advances	87,26,005.00	80,40,400.00
	SD & EMD	12,29,988.00	8,45,596.00
	<b>Total:-</b>	<b>99,55,993.00</b>	<b>88,85,996.00</b>
	<b>TOTAL OF RECEIPTS:-</b>	<b>7,33,20,669.00</b>	<b>6,24,15,218.00</b>
	<b>ADD Opening Balance at the beginning of the year</b>	<b>3,71,82,355.55</b>	<b>4,73,66,859.55</b>
	<b>GRAND TOTAL</b>	<b>11,05,03,024.55</b>	<b>10,97,82,077.55</b>

Statement showing the details of expenditure of Banki NAC for the year 2016-17

SI No	Head of Account	Expenditure during 2015-16	Expenditure during 2016-17	Remarks.
<b>I</b>	<b>GENERAL ESTABLISHMENT:-</b>			
	Salary of General Establishment	44,82,203.00	67,90,211.00	
	TA	7,526.00	1,73,920.00	
	RCM	0	0	
	CA	8,520.00	0.00	

Executive Officer  
N.A.C., BANKI

*25/6/18*  
Executive Officer  
N.A.C., BANKI

	Honorarium of CM/VCM	50,550.00	0.00
	SA of Councillors	0	48,300.00
	Pension Contributions	3,72,106.00	0.00
	TA of CM/VCM	0	0
	Wages of DLR	12,51,420.00	0.00
	<b>Total:-</b>	<b>61,72,325.00</b>	<b>70,12,431.00</b>
<b>II</b>	<b>TAX &amp; COLLECTION ESTABLISHMENT:-</b>		
	Salary	29,39,016.00	31,06,970.00
	CA	4,680.00	0.00
	RCM	0	0
	Contingency	0	0
	Wages of DLR	3,33,900.00	0.00
	TA	2,650.00	0.00
	<b>Total:-</b>	<b>32,80,246.00</b>	<b>31,06,970.00</b>
<b>III</b>	<b>PUBLIC HEALTH &amp; SANITATION:-</b>		
	Salary	19,88,372.00	19,03,596.00
	Wages of DLR	5,16,600.00	6,75,793.00
	RCM	0	0
	Cost of Sanitation materials	0	0
	Fuel and Spare parts of Tractors	1,00,345.00	2,10,041.00
	Repair of Cess Pool	39,900.00	0.00
	Water Tax	2,50,000.00	0.00
	Purchase of Tractors	0	0
	Payment of Road Tax of Vehicles	0	12,000.00
	Purchase of Water Tankers	0	0
	Purchase of Wheel barrow	0	0
	Sanitary works	1,93,014.00	2,92,406.00
	<b>Total:-</b>	<b>30,88,231.00</b>	<b>30,93,836.00</b>
<b>IV</b>	<b>PUBLIC SAFETY:-</b>		
	Salary of Staff	3,01,328.00	9,23,518.00

	Energy Charges	22,94,814.00	16,23,914.00
	Cost of Street Light	0	0
	Water Dues	0	2,55,000.00
	Fitting charges	0	34,128.00
	Purchase of Electric materials	16,07,499.00	30,89,415.00
	Wages of DLRs	0	
	Repair of Computer.	0	10,100.00
	<b>Total:-</b>	<b>42,03,641.00</b>	<b>59,36,075.00</b>
<b>V</b>	<b>MEDICAL:-</b>		
	Wages of DLRs	0	0
	Health Camp	5,000.00	0.00
	<b>Total:-</b>	<b>5,000.00</b>	<b>0.00</b>
<b>VI</b>	<b>PUBLIC CONVIANCE AND WORKS:-</b>		
	Salary of Staff	10,31,812.00	14,49,848.00
	RCM	0	0
	Maintenance of roads	0	0
	Road Developments	24,50,647.00	20,57,465.00
	CC Roads	0	0
	Special Development Plan	0	2,08,049.00
	Drainage and culverts	0	0
	USEP Trainings(SJSRY)	1,72,209.00	0.00
	Revolving Fund	0	0
	IDSMT	0	0
	MPLAD	3,01,354.00	10,44,729.00
	FDR	1,31,850.00	0.00
	13th FCA	28,14,739.00	0.00
	Construction of boundary wall	0	0
	Kalyani Mandap	0	0
	Maintenance of non residential buildings	33,927.00	2,45,234.00
	UAC (Urban Asset Creation)	1,68,319.00	14,66,888.00

Electrification(13th FCA NRB)	0	0
MLALAD	5,49,581.00	9,85,404.00
SPF	1,00,000.00	93,115.00
Children Park.	0	5,00,000.00
Non Remunorative	0	58,500.00
MVT	7,19,660.00	7,67,662.00
13th FCA(GABG)	46,14,093.00	0.00
13th FCA(Road & Bridges)	21,77,736.00	10,95,793.00
Kalyan Mandap	5,58,606.00	0.00
Construction of road	2,33,802.00	0.00
14th CFC	11,33,250.00	36,10,077.00
Devolution Fund	3,47,247.00	19,89,147.00
SWM	1,30,883.00	2,32,139.00
NWFF(Urban Housing scheme for poor)	29,35,000.00	1,90,000.00
PBI	1,50,600.00	12,19,318.00
Swachha Bharat Mission(SBM)	4,50,588.00	14,96,082.00
IHHL	8,22,000.00	0.00
Public Toilet	1,79,016.00	0.00
Odisha Urban Livelehood Mission(OULM)	3,74,751.00	7,95,775.00
Creation of Capital Assets		0.00
Maintenance of Capital Assets		4,57,000.00
Pension of LFS/Non LFS Staff	11,48,867.00	36,52,620.00
Harischandra Sahayata	2,02,000.00	1,94,000.00
Bhagabat Tungi.	0	15,000.00
Rem. /DA/SF of non officials	0	70,500.00
<b>Total:-</b>	<b>2,39,32,537.00</b>	<b>2,38,94,345.00</b>
<b>VII PUBLIC CONVEYANCE:-</b>		
Pay of ambulance driver and helper	0	0

	Maintenance of ambulance	0	0
	Jala Chhatra	54,626.00	43,140.00
	RCM	0	0
	<b>Total:-</b>	<b>54,626.00</b>	<b>43,140.00</b>
<b>VIII</b>	<b>PUBLIC INSTRUCTION:-</b>		
	Wages of Gardener	0	0
	RCM	0	0
	Grants to public instructions	0	0
	<b>Total:-</b>	<b>0</b>	<b>0</b>
<b>IX</b>	<b>MISCELLANEOUS:-</b>		
	SOAP/NOAP/MBPY etc.	72,23,900.00	70,58,000.00
	LIC Deposit	3,07,490.00	4,03,449.00
	ORHDC Loan deposit	1,61,958.00	1,32,297.00
	KGB Loan deposit	27,000.00	3,24,000.00
	CCB Loan deposit	0	0
	PNB Loan deposit	0	0
	CPF deposit	10,08,615.00	8,39,248.00
	UCO Bank Loan deposit	0	0
	Income Tax deposit	1,26,728.00	2,57,323.00
	VAT/OST	6,36,532.00	7,27,029.00
	Royalty	3,50,915.00	3,93,952.00
	Advertisement	1,02,006.00	2,08,752.00
	Fire and Flood relief	0	0
	Data Base(Computer)	0	0
	Stationary and Printing	33,188.00	98,731.00
	Bank Commission	3,974.00	3,580.49
	Construction of Road, (Own Fund)	0	2,19,816.00
	Fairs and festivals	28,000.00	0.00
	Legal expenditures	21,500.00	30,000.00

10/10/2018  
DIPAB, J.A.M

*23/7/18*  
**Executive Officer**  
**N.A.C., BANKI**

Hire charges of vehicles	1,28,600.00	0.00
Furniture	0	2,500.00
Misc Expenditure	1,40,997.00	1,37,622.00
Obseques	0	0
NFBS	1,20,000.00	1,00,000.00
Gratuity	1,50,000.00	0.00
Election Contingency	2,67,143.00	0.00
Labour Cess	1,29,593.00	0.00
Soil Test	0	0
Census	1,000.00	0.00
Telephone	19,519.00	70,208.00
EPF of staff	7,44,996.00	4,75,993.00
Service Postage Stamps	0	0
Telephone	0	0
PT	61,770.00	73,850.00
Royalty	0	0
Painting of EO and JE Quarters	0	0
Refund of APSD	3,84,918.00	0.00
GIS	0	0
Refreshment	0	0
Atheletic Association	0	0
Labour Cess	0	1,55,989.00
Water Bodies	0	0
Dress of Class III & IV Employees	0	0
Awareness programme	0	7,240.00
Hire charges of Motor pumps	0	0
Repair and maintenance	0	0
News Paper Bill	6,108.00	0.00
Local Self Govt. Day	1,78,275.00	0.00

22/7/18  
Executive Officer  
N.A.C., BANKI

	ULS of retired employees	2,27,918.00	0.00
	5th Pay Arrear of retired staffs	0	0
	Festival Advance	0	0
	NFSA	24,000.00	0.00
	Stone foundation	1,21,950.00	0.00
	Computer/ computer repair.	40,800.00	0.00
	Rent & Cess of Town Hall	2,394.00	0.00
	National Population Register (NPR)	0	67,500.00
	Pension contribution of Staff.	0	3,53,483.00
	<b>Total:-</b>	<b>1,27,81,787.00</b>	<b>1,21,40,562.49</b>
X	<b>EXTRAORDINARY DEBTS:-</b>		
	Refund of SD/EMD	11,08,772.00	8,90,551.00
	Advance paid	85,09,000.00	78,25,000.00
	<b>Total:-</b>	<b>96,17,772.00</b>	<b>87,15,551.00</b>
	<b>TOTAL OF EXPENDITURE:-</b>	<b>6,31,36,165.00</b>	<b>6,39,42,910.49</b>
	<b>ADD Closing Balance at the end of the year</b>	<b>4,73,66,859.55</b>	<b>4,58,39,167.06</b>
	<b>GRAND TOTAL</b>	<b>11,05,03,024.55</b>	<b>10,97,82,077.55</b>
	<b>Difference</b>	<b>-1,33,000.00</b>	

*M. S. / 23/7/18*  
Executive Officer  
N.A.C., BANKI

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

Banki N.A.C. - 2016-2017

S/no	Name of the Bank	A/C No.	Closing Balance Date As on (dd/mm/yyyy)	Closing Balance in Pass Book(In Rs:) (A)	Closing Balance in Bank Date Cash Book (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(In Rs:) (B)	Difference(In Rs:)(A-B)	Remarks
1	All Bank Accounts Pass Books		31-03-2017	46820052.62	31-03-2017	45514930.06	1305122.56	
	<b>GRAND TOTAL</b>			<b>46820052.62</b>		<b>45514930.06</b>	<b>1305122.56</b>	

**Reconciliation**

Reconciliation :-

The details of closing balance as per bank Pass Book and Cash Book as on 31.03.2017 is furnished below								
Sl.No.	Name of the Bank	Account No.	Closing Balance as on 31.03.2017	Closing balance in Pass Book (In Rs.(A)	Closing balance in Bank Date Cash Book as on 31.03.2017	Closing balance in Bank as mentioned in Cash Book (In Rs.(B)	Difference (In Rs.) (A-B)	Remarks.
1	S.B.I., Banki.	10802784885	31.03.2017	7,40,953.29	31.03.2017	6,98,657.01	42,296.28	Own Fund
2	do	35123625129	31.03.2017	3,643.00	31.03.2017	3,643.00	0.00	OULM
3	do	10802821932	31.03.2017	22,82,923.31	31.03.2017	12,04,564.00	10,78,359.31	Own Fund
4	do	10802784909	31.03.2017	4,22,465.73	31.03.2017	4,22,473.00	-7.27	IDSMT
5	do	10802786167	31.03.2017	23,22,939.00	31.03.2017	23,22,939.00	0.00	T.F.C
6	do	10802814084	31.03.2017	3,25,022.24	31.03.2017	3,11,240.00	13,782.24	Own Fund
7	do	10802784148	31.03.2017	2,90,611.50	31.03.2017	1,77,921.50	1,12,690.00	Current A/c
8	do	30467610615	31.03.2017	1,12,995.00	31.03.2017	1,12,995.00	0.00	R.D
9	do	35933948241	31.03.2017	166.00	31.03.2017	166.00	0.00	NULM
10	do	33179608726	31.03.2017	16,741.00	31.03.2017	16,741.00	0.00	Misc. A/c
11	do	30314036619	31.03.2017	21,891.00	31.03.2017	21,891.00	0.00	Non LFS Pension
12	do	31302339814	31.03.2017	35,58,294.00	31.03.2017	35,58,564.00	-270.00	TFC
13	do	30314036212	31.03.2017	3,080.00	31.03.2017	3,080.00	0.00	LFS Pension
14	Axis Bank, Gopalpur	616094283	31.03.2017	65,81,475.00	31.03.2017	65,81,475.00	0.00	OAP
15	do	373314523	31.03.2017	3,37,048.00	31.03.2017	3,37,048.00	0.00	Own Fund
16	do	3283595	31.03.2017	31,70,136.00	31.03.2017	31,70,136.00	0.00	SPF
17	do	616094043	31.03.2017	31,16,079.00	31.03.2017	31,02,108.00	13,971.00	14 CFC
18	do	179631433	31.03.2017	3,15,392.00	31.03.2017	3,15,392.00	0.00	C.C Road
19	OGB, Ranapur	5715	31.03.2017	6,11,641.00	31.03.2017	6,11,641.00	0.00	MVT
20	do, Ranapur	5848	31.03.2017	11,366.00	31.03.2017	11,366.00	0.00	DRM
21	do, Ranapur	57123	31.03.2017	2,51,497.00	31.03.2017	2,36,518.00	14,979.00	MP LAD

22do, Ranapur	5718	31.03.2017	11,77,655.00	31.03.2017	11,68,512.00	9,143.00	MLA LAD
23U.Co.Bank, Dampada	6842	31.03.2017	1,640.00	31.03.2017	1,640.00	0.00	FDR
24do	3921	31.03.2017	4,09,558.00	31.03.2017	4,02,055.00	7,503.00	Incentive
25CBI, Banki	3229907961	31.03.2017	1,68,302.50	31.03.2017	1,66,511.50	1,791.00	UAC
26do	3460119103	31.03.2017	4,587.00	31.03.2017	4,587.00	0.00	Staff Salary
27do	352247891	31.03.2017	10,006.00	31.03.2017	10,006.00	0.00	Bhagabat Tungi
28do	3475936627	31.03.2017	37,64,190.00	31.03.2017	37,64,190.00	0.00	SBM
29do	3229911071	31.03.2017	16,35,284.00	31.03.2017	16,24,399.00	10,885.00	Public Toilet
30do	3497146816	31.03.2017	3,64,723.50	31.03.2017	3,64,723.50	0.00	SDP
31Postal A/c	7032753	31.03.2017	7,186.00	31.03.2017	7,186.00	0.00	
32P/L Account	8448	31.03.2017	1,44,44,676.55	31.03.2017	1,44,44,676.55	0.00	
33Canara Bank,	3262	31.03.2017	3,35,885.00	31.03.2017	3,35,885.00	0.00	
<b>Total :</b>			<b>4,68,20,052.62</b>		<b>4,55,14,930.06</b>	<b>13,05,122.56</b>	

**Reconciliation of PL Account**

Closing Balance as per PL Account Cash Book as on 31.03.2017- 1,44,44,676.55

Closing Balance as per Treasury Pass Book as on 31.03.2017- 1,44,44,676.55

Difference- Nil

Bank Reconciliation Statement as on 31.03.2017.

During the period covered under audit i.e. 2016-17 it was noticed that a total sum of Rs.13,05,122.56 was found discrepancy in between Pass Book and Cash Book closing balance as on 31.03.2017. The above discrepancy amount a sum of Rs.13,05,122.56 in connection to 12 nos. of Bank Pass Books has been reconciled in audit.

**1) Accountant Cash Book, Own Fund, S.B.I., Banki, A/c No.10802784885**

As per Pass Book as on 31.03.2017	7,40,953.29
As per Cash Book as on 31.03.2017	6,98,657.01
Difference	42,296.28
Reason of Difference :-	

Add : Cheque issued but not encashed till 31.03.2017		42,492.00
Ch.No.217256 dtd.30.03.2017	3387.00	
Ch.No.217255 dtd.30.03.2017	9679.00	
Ch.No.217250 dtd.30.03.2017	2000.00	
Ch.No.217248 dtd.30.03.2017	16601.00	
Ch.No.217247 dtd.30.03.2017	6148.00	
Ch.No.217242 dtd.27.03.2017	2000.00	
Ch.No.217231 dtd.23.03.2017	2677.00	
<b>Total :</b>	<b>42492.00</b>	
Deduct Bank charges not book in expenditure		(-)144.00
Previous reconciliation difference		(-)51.72
<b>Total :</b>		<b>42,296.28</b>

**2) Accountant Cash Book, Own Fund, S.B.I., Banki, A/c No.10802821932**

As per Pass Book as on 31.03.2017	22,82,923.31
As per Cash Book as on 31.03.2017	12,04,564.00

*[Signature]*  
23/7/18  
**Executive Officer**  
**N.A.C., BANKI**

Difference	10,78,359.31
Reason of Difference :-	

1. Add. Cheque No.919057 dtd.30.03.2017 issued but not encashed till 31.03.2017	10,00,000.00
2. Add previous Reconciliation Difference	78,359.31
<b>TOTAL :</b>	<b>10,78,359.31</b>

**3) Accountant Cash Book,, IDSMT Fund, S.B.I., Banki, A/c No.10802784909**

As per Pass Book as on 31.03.2017	4,22,465.73
As per Cash Book as on 31.03.2017	4,22,473.00
Difference	7.27
Reason of Difference :-	

1.	Deduct : Bank commission deduct in Pass Book, but not book in expenditure in Cash Book.	(-)7.27
	<b>Total :</b>	<b>(-)7.27</b>

**4) Accountant Cash Book,, Own Fund, S.B.I., Banki, A/c No.10802814084**

As per Pass Book as on 31.03.2017	3,25,022.24
As per Cash Book as on 31.03.2017	3,11,240.00
Difference	13,782.24
Reason of Difference :-	

1.	Cheque No.837078 dtd.30.03.2017 issued, But not encashed till 31.03.2017	1,991.00
2.	Cheque No.837079 dtd.30.03.2017 issued, But not encashed till 31.03.2017	1,991.00
3.	Add: previous reconciliation difference	9,800.24
	<b>Total :</b>	<b>13,782.24</b>

**5) Accountant Cash Book,, Current A/c,, S.B.I., Banki, A/c No.10802784148**

As per Pass Book as on 31.03.2017	2,90,611.50
As per Cash Book as on 31.03.2017	1,77,921.50
Difference	1,12,690.00
Reason of Difference :-	

1.	Cheque No.003555 dtd.23.03.2017 issued, But not encashed till 31.03.2017	10,761.00
2.	Cheque No.003551 dtd.28.02.2017 issued, But not encashed till 31.03.2017	22,999.00
3.	Add: previous reconciliation difference	78,930.00
	<b>TOTAL :</b>	<b>1,12,690.00</b>

**6) Accountant Cash Book,, T.F.C. A/c,, S.B.I., Banki, A/c No.31302339814**

As per Pass Book as on 31.03.2017	35,58,294.00
As per Cash Book as on 31.03.2017	35,58,564.00
Difference	(-) 270.00
Reason of Difference :-	

1.	Previous difference not reconciled till 31.03.2017 [Deduct : Vide voucher No.1179/27.01.2016 and cheque no.628943 dtd.27.01.2016 issued	(-) 270.00
----	--	------------

Rs.80,697.00 but encashed from account Rs.80,967.00 hence excess withdrawal of Rs.270.00 (80,967.00 – 80,697.00)	
<b>TOTAL :</b>	<b>(-) 270.00</b>

**7) Accountant Cash Book., 14<sup>th</sup> C.F.C. A/c., Axis Bank., Banki,**

**A/c No.915010061609404**

As per Pass Book as on 31.03.2017	31,16,079.00
As per Cash Book as on 31.03.2017	31,02,108.00
Difference	13,971.00

Reason of Difference :-

1.	Cheque No.044998 dtd.30.03.2017 issued, But not encashed till 31.03.2017	13,971.00
	<b>TOTAL :</b>	<b>13,971.00</b>

**8) Accountant Cash Book., MP LAD A/c., OGB., Banki, A/c No.40840100005712**

As per Pass Book as on 31.03.2017	2,51,497.00
As per Cash Book as on 31.03.2017	2,36,518.00
Difference	14,979.00

Reason of Difference :-

1.	Cheque No.348170 dtd.28.03.2017 issued, But not encashed till 31.03.2017	14,979.00
	<b>TOTAL :</b>	<b>14,979.00</b>

**9) Accountant Cash Book., MLA LAD A/c., S.B.I., Banki, A/c No.40840100005718**

As per Pass Book as on 31.03.2017	11,77,655.00
As per Cash Book as on 31.03.2017	11,68,512.00
Difference	9,143.00

Reason of Difference :-

1.	Amount credited on 25.11.2016 in Pass Book, But not taken into Cash Book till 31.03.2017	9,143.00
	<b>TOTAL :</b>	<b>9,143.00</b>

**10) Accountant Cash Book., Incentive A/c., U.Co.,Bank., Dampada, A/c No.3921**

As per Pass Book as on 31.03.2017	4,09,558.00
As per Cash Book as on 31.03.2017	4,02,055.00
Difference	7,503.00

Reason of Difference :-

1.	Interest credited in Pass Book on 06.01.2017, But not taken into Cash Book.	4,088.00
2.	Interest credited in Pass Book on 04.10.2016, But not taken into Cash Book.	3,415.00
	<b>TOTAL :</b>	<b>7,503.00</b>

**11) Accountant Cash Book., UAC A/c., C.B.I.,Bank., Banki, A/c No.3229907961**

As per Pass Book as on 31.03.2017	1,68,302.50
As per Cash Book as on 31.03.2017	1,66,511.50
Difference	1,791.00

Reason of Difference :-

1.	Interest credit in Bank on 28.02.2017, but not taken into Cash Book till 31.03.2017	1,659.00
2.	Amount excess in Pass Book due to refund of	132.00

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

bank commission.	
<b>Total :</b>	<b>1,791.00</b>

**12) Accountant Cash Book.. Public toilet & Childrens park A/c.. C.B.I.Bank,, Banki, A/c No.3229911071**

As per Pass Book as on 31.03.2017	16,35,284.00
As per Cash Book as on 31.03.2017	16,24,399.00
Difference	10,885.00

Reason of Difference :-

1.	Cheque No.003112 dtd.31.03.2017 issued,	10,885.00
	But not encashed till 31.03.2017	
	<b>TOTAL :</b>	<b>10,885.00</b>

As reported in Draft Audit Report, a total sum of Rs.13,05,122.56 for the year 2016-17 shown as discrepancy amount in between bank pass book figure and Cash Book figure as on 31-03-17. No effective steps have been taken by the local authority for reconciliation of the aforesaid discrepancy till the day of Exit Conference. After discussion the Executive Officer assured to take steps for reconciliation immediately under intimation to audit through compliance. Further at the time of Exit Conference it was noticed that the Executive Officer is operating more than one account for some schemes and there are several dormant bank accounts which are not closed till date. The local authority assured to follow one account for one scheme and produce to next audit for verification.

Para : 5.1

Maintenance of Flexi Account instead of Savings bank account for parking

Funds centrally sponsored schemes. (Ref.Lr.No.35425/F., 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/c's 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.

It was asked through objection memo to state whether the aforesaid instruction has been adhered to or not. It was also asked to submit the details of savings accounts which have been converted to Flexi account (if any).

In response to audit objection the local authority replied :- Banks have been instructed to convert S.B Account to Flexi Account which has not yet been materialize.

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 to next audit.

However the local authority is suggested to do needful at an early date under compliance reported to audit.

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.

In response to audit objection no reply was furnished by the local authority. However it is suggested that all collection money should be deposited into P/L Account as per O.M. Rules 1953 towards financial transaction in stead of Saving Bank Pass Book Account.

Para : 5.4

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

*22/7/18*  
**Executive Officer**  
**N.A.C.,BANKI**

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 stream line the financial management system issued by P.R. Department vide Order No.14261 dtd.20<sup>th</sup> 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 concerned.

But in violation of Govt. order about 39 nos. of bank accounts are in name of Executive Office which includes some accounts beyond the jurisdiction of D.D.O. The bank accounts which are beyond the jurisdiction of D.D.O. need be closed immediately. Once again suggested to E.O. steps may also be taken to minimize the nos. of bank accounts by the following principles one account for one scheme only.

**PARA: 6 STOCK POSITION**

Banki N.A.C. - 2016-2017

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

**Comments**

The stock position of the NAC for the year 2016-17 is furnished below.

Sl. No.	Particulars of items	Opening Balance at the beginning of the year.	Stock Received during the year.	Total	Loss/ Damage during the year	Closing balance of the stock at the end of the year.	Ref. to stock Regr. Page No.	Remarks
1.	Steel Almirah	07	0	07	0	07	12	
2.	Steel Table	15	1	16	0	16	13	
3.	Steel Chair	55	1	56	0	56	14	
4.	Water Tanker	4	0	4	0	4	20	
5.	Computer Table	06	0	06	0	06	42	
6.	Steel Rack	04	0	04	0	04	44	
7.	Computer Chair	04	0	04	0	04	45	
8.	High back Chair	01	0	01	0	01	47	
9.	Biometric Finger Print.	01	0	01	0	01	50	
10.	Camera	01	01	02	0	02	52	
11.	Computer	02	0	02	0	02	62	

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

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

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

But no physical verification of stock and store has been made by the local authority during the year 2016-17. However physical verification of stock and store in every year may be ensured henceforth compliance reported to audit.

**At the time of exit conference, the Local Authority stated that steps will be taken to maintain the Dead Stock Register henceforth Further the Executive Officer agreed to conduct periodical physical verification of stock/store and the fact would be communicated to the D.A.O. (L.F.A.) Cuttack.**

*[Signature]*  
22/7/18  
**Executive Officer**  
**N.A.C., BANKI**

**PARA: 7 INVESTMENT**

Banki N.A.C. - 2016-2017

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	01-04-2016	0.00	0.00	0.00	0.00	31-03-2017	0.00	31-03-2017	0.00	0.00	
	<b>GRAND TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	

**DETAILS OF CB ON INVESTMENT & Comments :**

**01)Fixed Deposits:-**No investment has been made in this NAC during 2016-17 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 were not produced before audit for verification. The details are furnished below.

Sl.	Particulars of Investment	Amount	Date of maturity	Remarks
No.				
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.
	<b>Total :</b>	<b>700.00</b>		

**Non-maintenance of Investment Register(osp-10):-**

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.

*[Signature]*  
22/7/18  
**Executive Officer**  
**N.A.C.,BANKI**

**PARA: 8 ADVANCE**

Banki N.A.C. - 2016-2017

S.No	Advance Outstanding as on (DD MM YYYY)	Cashbook Name	Advance Outstanding (In Rs.)	Advance Paid during the Year under Audit (In Rs.)	Total (In Rs.)	Advance adjusted during the Year under Audit (In Rs.)	Advance Outstanding as per (DD MM YYYY) Audit	Advance Outstanding Audit (In Rs.)	Advance Outstanding as per (DD MM YYYY) Cash Book	Advance Outstanding Cash Book (In Rs.)	Difference (In Rs.)	Remarks
1	01-04-2016	Accountant Cash Book	2870797.53	7825000.00	10695797.53	8040400.00	31-03-2017	2655397.53	31-03-2017	2655397.53	-0.00	
	<b>GRAND TOTAL</b>		<b>2870797.53</b>	<b>7825000.00</b>	<b>10695797.53</b>	<b>8040400.00</b>		<b>2655397.53</b>		<b>2655397.53</b>	<b>0.00</b>	

**Comments :**

**8.1 Non-Maintenance of Register of outstanding advance :-**

As required under Rules 140 of O.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 31.03.2017 in N.A.C is furnished below.

The Statement showing the details of the total advance outstanding as on 31.03.2017							
Sl. No.	Name of the designation of the Advance holder.	Vr.No./ Date	Amount of Advance outstanding		Purpose of Advance	Name & Designation of the Officer responsible for payment of Advance	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.	
		<b>Total :</b>	<b>23,72,897.53</b>				
	<b>2014-15</b>						
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	Arrear Salary	-do-	
		<b>Total :</b>	<b>1,10,000.00</b>				
	<b>2015-16</b>						
1.	Bijaya Ku. Raj, I/c S/I	104/ 06.05.15	11,500.00	0.00	Treatment of self	-do-	Out of Rs.80,000.00 - adjusted 68500.00
2.	Gangadhar Das, J.E.	133/ 16.5.15	10,000.00	0.00	Repair & reconstruction of Well near w.No.6	-do-	
3.	Pramoda Ku. Barik,	152/ 23.5.15	10,000.00	0.00	SECC - 2011	-do-	

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

4.	TC Jitendra Ku. Chhotaray, Adv.	568/ 10.9.15	5,000.00	0.00	Advocate Fees of Petition no.22/ 2011	Satyabrata Mantri, E.O.	
5.	-do-	812/ 31.10.15	10,000.00	0.00	Fogging and hire charges of Auto and Malathines.	-do-	
	<b>Total :</b>		<b>46,500.00</b>				
	<b>2016-17</b>						
1.	Pramod Ku. Barik, JC	247/ 23.06.16	0.00	14,000.00	Filing of Case	-do-	
2.	Prasant Ku. Behera, TC	804/ 24.11.16	0.00	1,000.00	Postage Stamp purchase.	-do-	
3.	Prafulla Ku. Pati, TC	827/ 03.12.16	0.00	4,000.00	Printing of Forms	-do-	
4.	Miss. Mili Behera, JA	852/ 07.12.16	0.00	2,000.00	Purchase of Postage Stamp.	-do-	
5.	Bijaya Ku. Raj, S.I	1124/ 18.03.17	0.00	40,000.00	Payment of Tax, Insurance & fitness of vehicles.	-do-	
6.	-do-	1163/ 23.03.17	0.00	50,000.00	Oil Stikring & Fitness pollution.	-do-	
7.	Prasant Ku. Behera, TC	1195/ 30.03.17	0.00	15,000.00	Organization of Jalachhatra	-do-	
	<b>Total :</b>		<b>0.00</b>	<b>1,26,000.00</b>			
	<b>G.Total :</b>			<b>Rs.25,29,397.53+ Rs.1,26,000.00 = Rs.26,55,397.53</b>			

**Year wise break up of outstanding advances :-**

Year wise break up of outstanding advances as on 31.03.2017			
Sl.No.	Year of payment of Advance.	Amount	Remarks.
1.	Upto 2000-2001	11,74,809.53	
2.	2001-02	29,134.00	
3.	2002-03	48,340.00	
4.	2003-04	1,43,219.00	
5.	2004-05	41,388.00	
6.	2005-06	22,987.00	
7.	2006-07	31,745.00	
8.	2007-08	1,35,937.00	
9.	2008-09	50,100.00	
10.	2009-10	36,000.00	
11.	2010-11	1,02,200.00	
12.	2011-12	0.00	
13.	2012-13	8,838.00	
14.	2013-14	5,48,200.00	
15.	2014-15	1,10,000.00	
16.	2015-16	46,500.00	
17.	2016-17	1,26,000.00	
	<b>Total :</b>	<b>26,55,397.53</b>	

A)Statement showing the details of Advance paid and adjusted during the year 2016-17 :

Sl.No.	Name & Designation of Advances	Vr.No. & date of Adjustment	Amount	Purpose	Vr.No. /Date of Advance paid	Amount of Advance paid
1	B.K.Raj, I/c Sanitation	161/17.05.2016	40000	Road Tax Insurance	1386/ 16.03.2016	40000
2	B.K.Raj, I/c Sanitation	222/17.06.2016	15000	Servicing of	1659/ 16.01.2014	15000
3	Prasant Ku. Behera, TC	803/24.11.2016	1000	Postage Stamp.	1268/ 24.02.2016	1000
4	P.K.Pati, TC	934/30.12.2016	5000	Dengu, Malaria	644/ 22.09.2014	5000

*Signature*  
**EXECUTIVE OFFICER**  
**N.A.C., BANKI**

5	All Staff.	From 4/16 to 3/17	256600	Festival Advance	772/ 14.10.15	256600
6	Bijay Kumar Raj, S.I	From 4/16 to 3/17	23,800.00	Treatment of Self	810/19.10.15 & 104/ 06.05.2015 (out of 50,000 + 30,000= 80,000)	23,800.00
		Total :	341400.00			341400.00

**OUTSTANDING ADVANCE MORE THEN ONE YEAR :- (2015-16)**

It would be seen that a total sum of Rs.46,500.00 sanctioned to the staff during the financial year 2015-16 have not been adjusted till date. No sincere steps have been taken by the sanctioning authority to adjust the same the 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 2013-14 have already been surcharged in the last audit report. Hence in the present audit the outstanding advance for the year 2015-16 amount to Rs.46,500.00 is being surcharged.

1.	Bijaya Ku. Raj, I/c S/I	104/ 06.05.15	11,500.00	0.00	Treatment of self	-do-	Out of Rs.80,000.00 - adjusted 68,500.00( 44,700 +23,800 )
2.	Gangadhar Das, J.E.	133/ 16.5.15	10,000.00	0.00	Repair & reconstructin of Well near w.No.6	-do-	
3.	Pramoda Ku. Barik, 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, E.O.	
5.	-do-	812/ 31.10.15	10,000.00	0.00	Fogging and hire charges of Auto and Malathines.	-do-	
		Total :	46,500.00				

At the time of exit conference the Executive Officer assured to take immediate steps for adjustment of outstanding advance of Rs.26,55,397.53 and suggested to produce the same to next audit for verification.

**Person Responsible :-**

1. Nalinikanta Behera, Ex-E.O. Rs .15,750.00
2. Satyabrata Mantri, E.O. Rs.10000.00
3. Bijaya Kumar Raj, S.I. Rs.10,750.00
4. Gangadhar Das, J.E. Rs. 5,000.00
5. Pramod Kumar Barik, J.C Rs. 5,000.00

Total : Rs.46,500.00

**Responsible Person for this paragraph**

Sino	Name	Designation	Adress	Amount(In Rs:)
1	Satyabrata Mantri, E.O.	E.O	E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	10000
2	Bijaya Kumar Raj, S.I.	S.I.	C.o-E.O., Banki NAC, At.Po- Banki, Dist-Cuttack.	10750
3	Gangadhar Das, Ex-J.E.	Ex-J.E	C.o-E.O. Bhadrak	5000

			Municipality, Now J.E at - Bhadrak Municipality, At.Po- Bhadrak, Dist-Bhadrak.	
4	Pramod Kumar Barik, J.C	J.C	C.o-E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	5000
5	Nalinikanta Behera, Ex-E.O.,	Ex-E.O.	Now C.O. at Brajarajanagar Municipality, At.Po-Brajarajanagar, Dist-Jharsuguda.	15750

*[Signature]*  
22/7/18  
Executive Officer  
N.A.C., BANKI

**PARA: 9 GRANTS**

Banki N.A.C. - 2016-2017

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	01-04-2016	38580472.50	35746437.00	74326909.50	35622497.00	31-03-2017	38704412.50	38704412.50
	<b>GRAND TOTAL</b>	<b>38580472.50</b>	<b>35746437.00</b>	<b>74326909.50</b>	<b>35622497.00</b>		<b>38704412.50</b>	

**Comments :**

**9.1 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 unappreciable manner) during the year 2016-17 are furnished below.

Statement showing the details of Govt. Grants received during 2016-17				
Sl.no	Head of Account	Sanction Order No./Date	Amount	Remarks
1	Octroi & Compenssation	11018/6.05.16	2195000	
		16216/4.07.16	4393000	
		26525/22.11.16	3295000	
		4222/23.02.17	3158000	
		7522/31.03.17	137000	
		<b>Total</b>	<b>13178000</b>	
2	Arrear Pension and Basic Service.	296251/19.12.16	1561000	
		6077/17.03.17	987000	
		<b>Total</b>	<b>2548000</b>	
3	S.F/DA & TA.of non-officials	21550/9.09.16	52200	
		4480/25.02.17	10237	
		<b>Total</b>	<b>62437</b>	
4	Devolution Fund	16234/4.07.16	2420000	
		2596/3.02.17	2420000	
		<b>Total</b>	<b>4840000</b>	
5	14TH FCA Basic Grant.	30184/26.12.16	3400000	
		4247/18.2.17	3400000	
		<b>Total</b>	<b>6800000</b>	
6	M.V.T	24517/1910.16	647000	
		2763/6.2.17	647000	
		<b>Total</b>	<b>1294000</b>	
7	Creation of Capital Assets	26530/11.11.16	480000	

		2775/6.2.17	480000	
		<b>Total</b>	<b>960000</b>	
8	Maintenance of Capital Assets	26538/11.11.16	228000	
		3274/10.2.17	229000	
		<b>Total</b>	<b>457000</b>	
9	Maintenance of Road & Bridges	969/13.1.17	2007000	
		<b>Total</b>	<b>2007000</b>	
10	Maitn. Non Residential Building	979/13.1.17	316000	
		<b>Total</b>	<b>316000</b>	
11	Pension of Non LFS employees	Online transfer	1000000	
		<b>Total</b>	<b>1000000</b>	
12	MP LAD	Online transfer	525000	
		<b>Total</b>	<b>525000</b>	
13	MLA LAD	Online transfer	1100000	
		<b>Total</b>	<b>1100000</b>	
14	OULM	Online transfer	190000	
		<b>Total</b>	<b>190000</b>	
15	SDP	Online transfer	450000	
		<b>Total</b>	<b>450000</b>	
16	Census	Online transfer	9000	
		<b>Total</b>	<b>9000</b>	
17	Bhagabat Tungi	Online transfer	10000	
		<b>Total</b>	<b>10000</b>	
		<b>G.Total :</b>	<b>35746437</b>	

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 16-17 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 01.04.2016	Grant received during 2016-17	Total	Expenditure during 2016-17	Closing Balance as on 31.03.2017
1	Octroi & Compenssation	0.00	13178000.00	13178000.00	13178000.00	0.00
2	Road Development Grant	2057465.00	0.00	2057465.00	2057465.00	0.00
3	11th & 12 th FCA	277930.00	0.00	277930.00	0.00	277930.00
4	SJSRY/NULM	938214.00	190000.00	1128214.00	795775.00	332439.00
5	Park & Greenery	500000.00	0.00	500000.00	500000.00	0.00
6	PBI (Under FCA)	1418400.00	0.00	1418400.00	1219318.00	199082.00
7	Illumination	499206.00	0.00	499206.00	0.00	499206.00
8	Festival Grant	16990.00	0.00	16990.00	0.00	16990.00
9	Public Conveyance	1105980.00	0.00	1105980.00	0.00	1105980.00
10	Flood and Cyclone Relief	258079.00	0.00	258079.00	0.00	258079.00
11	CDR Draught	520588.00	0.00	520588.00	0.00	520588.00
12	Non Remunative	67000.00	0.00	67000.00	58500.00	8500.00

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13	Untied Fund	575.50	0.00	575.50	0.00	575.50
14	TLC	1090.00	0.00	1090.00	0.00	1090.00
15	BSY	7000.00	0.00	7000.00	0.00	7000.00
16	Construction of Houses	22000.00	0.00	22000.00	0.00	22000.00
17	Slaughter House	15000.00	0.00	15000.00	0.00	15000.00
18	MLA LAD	1372832.00	1100000.00	2472832.00	985404.00	1487428.00
19	MP LAD	855166.00	525000.00	1380166.00	1044729.00	335437.00
20	FDR	779857.00	0.00	779857.00	0.00	779857.00
21	SC / ST	2000.00	0.00	2000.00	0.00	2000.00
22	Pension LFS & Non LFS	0.00	0.00	0.00	0.00	0.00
23	Construction of Boundary Wall	232249.00	0.00	232249.00	0.00	232249.00
24	13th FCA	0.00	0.00	0.00	0.00	0.00
25	Special Problem Fund	2929669.00	0.00	2929669.00	93115.00	2836554.00
26	Urban Assets Creation & Maintenance	1956103.00	960000.00	2916103.00	1466888.00	1449215.00
27	Census	67000.00	9000.00	76000.00	0.00	76000.00
28	Devolution Fund	3978267.00	4840000.00	8818267.00	1989147.00	6829120.00
29	Harishchandra Yojana	236000.00	0.00	236000.00	194000.00	42000.00
30	Devolution Fund (Kalyna Mandap.	480606.00	0.00	480606.00	0.00	480606.00
31	Maintenance of Non Residential Building	3716951.00	316000.00	4032951.00	245234.00	3787717.00
32	Solid Waste Management	358200.00		358200.00	232139.00	126061.00
33	Basic Grant 14 CFC	3732750.00	6800000.00	10532750.00	3610077.00	6922673.00
34	M.V Tax	466340.00	1294000.00	1760340.00	767662.00	992678.00
35	Arrear Pension and Basic Service.	4805295.00	2548000.00	7353295.00	3652620.00	3700675.00
36	Hon. SF/ DA of Members	8450.00	62437.00	70887.00	70500.00	387.00
37	Mastayajibi Housing Scheme	276523.00		276523.00	190000.00	86523.00
38	Swachha Bharat Mission	4355697.00		4355697.00	1496082.00	2859615.00
39	Bhagabat Tungi	15000.00	10000.00	25000.00	15000.00	10000.00
40	SDP	250000.00	450000.00	700000.00	208049.00	491951.00
41	Maintenance of Road & Bridges	0.00	2007000.00	2007000.00	1095793.00	911207.00
42	Non LFS Pension	0.00	1000000.00		0.00	0.00
43	Maintenasnce of Capital Assets.	0.00	457000.00	457000.00	457000.00	0.00
						0.00
		38580472.50	35746437.00	74326909.50	35622497.00	38704412.50

**Less utilization of grants :-**

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Rule 171 (3) 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 grant of the previous year is either to be surrendered to Govt. or it has to be taken into accounts in subsequent years grants with prior approval of the sanctioning authority. It would be seen that there was unspent grant of Rs.3,85,80,472.50 on the beginning of the year i.e. 01.04.2016.

During the year under audit total sum of Rs.3,57,46,437.00 was received grant under different schemes. The total grant available for utilization was Rs.7,43,26,909.50.

During the year under audit only Rs.3,56,22,497.00 was utilized leaving unspent balance Rs.3,87,04,412.50. The percentage of utilization of grant is only 47.93% which is very low in comparison with the grant available for utilization. This indicates that the Govt. Money released to this Municipality are not be utilized for the intended purposes in time. Due to delay in implementation of Developmental programs and utilization grants for bonafide purposes, the very purpose of Govt. behind sanctioning grants under different schemes is being defeated.

This indicates that the Govt. grants released to this NAC for development works is not being utilized for the purpose for which it is due in time the delay in implementation of development programmes not only defeats the very purpose of the scheme but also involves the rising cost of the projects. The less utilization of funds has been mainly attributed to the receipt of grants at the fag end of the financial year, in adequate monitoring and planning for execution of the schemes. Non utilization of grants in due time could jeopardise the prospect of release of future grants. Therefore the E.O. is suggested to utilized unspent grants by obtaining fresh sanction from the authority competent and compliance reported to audit.

## 9.2 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 2016-17 and the utilization of grants in 2016-17 the year wise break up of unspent grant upto 31.03.2017 is furnished below.

Upto 2015-16	1,78,01,413.50
2016-17	2,09,02,999.00
Total :	3,87,04,412.50

Diversion of Grants :-

No diversion of Govt. Grants was made during the year 2016-17.

**9.3 Utilization of previous years grant without obtaining fresh sanction for the year 2016-17 :** It would be seen from the grant statement that a total sum of Rs.20640091.00 has been incurred expenditure out of the previous years grant without obtaining fresh sanction from the sanctioning authorities as per the sanction orders.

Utilization of previous year grants without obtaining fresh sanction

Sl.No.	Head of Account	Amount of Expenditure
		20,57,465.00
1	R.D Grant	7,95,775.00
2	OULM	5,00,000.00
3	Park and Greenery	12,19,318.00
4	PBI (FCA)	58,500.00
5	Non remunerative	9,85,404.00
6	MLA LAD	8,55,166.00
7	MP LAD	93,115.00
8	SPF	14,66,888.00
9	Urban Asset Creation	19,89,147.00
10	Devolution Fund	1,94,000.00
11	Harishchandra Sahayata	

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12	Maintenance of Non- residential Building	2,45,234.00
13	Soild Waste Management	2,32,139.00
14	14th CFC	36,10,077.00
15	M.V.Tax	7,67,662.00
16	Arrear Pension and Basic Service	36,52,620.00
17	DA/SF of Non officials	8,450.00
18	Masthya Jibi Babagruha Yojana	1,90,000.00
19	Sochha Bharat Mission	14,96,082.00
20	Bhagabata Tungi.	15,000.00
21	SDP	2,08,049.00
<b>TOTAL :</b>		<b>2,06,40,091.00</b>

At the time of exit conference the Executive Officer agreed to spend the unspent Grant by obtaining the fresh sanctions at an early date with compliance to audit . Till the ex-post facto approval from the sanctioning authorities is obtained the above expenditure amounting to Rs.20640091.00 is kept under objection.

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**PARA: 10 UTILISATION CERTIFICATE**

Banki N.A.C. - 2016-2017

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	01-04-2016	55419574.00	35622497.00	91042071.00	32260192.00	31-03-2017	58781879.00	
	<b>GRAND TOTAL</b>	<b>55419574.00</b>	<b>35622497.00</b>	<b>91042071.00</b>	<b>32260192.00</b>		<b>58781879.00</b>	

**Comments :**

The O.B of U.C as on 01.04.2016 was obtained from the Last A.R.No.273185/AR/ 2016-17-CUTTACK for the year 2015-16. As the U.Cs register has not been maintained properly. Hence the local authority is suggested to take proper steps for submission of pending U.Cs to proper quarter of Govt.

Details of U.Cs submitted during the financial year 2016-17 is respect of Banki NAC :-

Sl.No.	Letter No./Date	To whom Submitted	Amount Of U.C Submitted (In Rs.)	Year of Expenditure	Name of the Scheme.
1.	4471/19.10.2016	P.D. DUDA	19,89,147.00	2016-17	Devolution Fund
2.	4471/19.10.2016	CUTTACK	2,45,234.00	2016-17	N.R.B.
3.	4471/19.10.2016	-do-	2,32,139.00	2016-17	S.W.M
4.	780/02.03.2017	-do-	27,25,515.00	2016-17	14 <sup>th</sup> F.C.A
5.	4471/19.10.2016	-do-	8,84,562.00	2016-17	-do-
6.	4471/19.10.2016	-do-	2,59,815.00	2016-17	M.V.T
7.	4471/19.10.2016	-do-	4,90,107.00	2016-17	-do-
8.	780/02.03.2017	-do-	13,67,900.00	2016-17	Arr.Pension & basic Service
9.	780/02.03.2017	-do-	70,500.00	2016-17	DA/SF
10.	4471/19.10.2016	-do-	8,10,218.00	2016-17	S.B.M.
11.	780/02.03.2017	-do-	10,95,793.00	2016-17	Road & Bridges
12.	780/02.03.2017	-do-	4,12,356.00	2016-17	Maintenance Capital Assets
13.	4471/19.10.2016	-do-	1,61,36,000.00	2016-17	Octroi & Compensation
14.	780/02.03.2017	-do-	20,57,465.00	2016-17	R.D Grant
15.	4471/09.10.2016	-do-	7,95,775.00	2016-17	OULM
16.	780/02.03.2017	-do-	5,00,000.00	2016-17	Children Park
17.	4471/19.10.2016	-do-	7,29,079.00	2016-17	P.B.I.
18.	780/02.03.2017	-do-	4,90,239.00	2016-17	-do-
19.	4471/19.10.2016	-do-	1,68,320.00	2016-17	Urban Asset Creation
20.	780/02.03.2017	-do-	8,00,028.00	2016-17	-do-
		<b>Total :</b>	<b>3,22,60,192.00</b>		

It is seen from the above table that the position of pending U.Cs as on 31.03.2017 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 31.03.2017. 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.

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The category wise break up of pending UCs 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 of U.Cs	Remarks
		Submitted	
1.	2001-02	40,244.00	
2.	2002-03	2,46,400.00	
3.	2003-04	11,03,563.00	
4.	2004-05	26,96,559.00	
5.	2005-06	4,013.00	
6.	2006-07	28,93,985.00	
7.	2007-08	2,81,496.00	
8.	2008-09	23,52,898.00	
9.	2009-10	5,26,782.00	
10.	2010-11	0.00	
11.	2011-12	5,75,123.00	
12.	2012-13	54,99,838.00	
13.	2013-14	26,63,623.00	
14.	2014-15	91,62,922.00	
15.	2015-16	2,73,72,128.00	
16.	2016-17	33,62,305.00	
	<b>Total :</b>	<b>5,87,81,879.00</b>	

At the time of exit conference the D.A.O. expressed concerned over the non maintenance of U.C Register and files . The Executive Officer assured for maintenance of the said Register and production of the same before the next audit. However the pending U.Cs of Rs.5,87,81,879.00 was suggested to be sent to the proper quarters in order to ensure uninterrupted flow of funds to NAC.

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21/6/2018  
Executive Officer  
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**PARA: 11 MISAPPROPRIATION & DEFALCATION**

**11.1 - Misappropriation of Cash due to non-deposit of Collection Money POM P/36 -**

On checking of the receipts of different Taxes and rents with reference to Money receipts Book and daily collection Register Cashier Cash Book and Accountant Cash Book for the year under audit it was noticed that vide Holding Tax Receipt Book for the year 2016-17 (Statement given below) a total sum of Rs.256.00 had been collected in shape of cash towards Holding Tax collected by Sri Prafulla Kumar Pati, T.C. But the said amount was neither deposited to the cashier nor deposited in bank account of Municipality directly by Sri Pati, T.C till date.

Due to non deposit of collection money there occurred a loss of Rs.256.00 to the Municipality Fund for which Sri Pati is him self responsible.

Sl. No.	Holding No.	Receipt No./ Date	Amount	From whom receipt	Ward No.	Remarks
1.	50	15579/11.12.2017	256.00	Sadhu Charan Rout	05	
		<b>Total :</b>	<b>256.00</b>			

In issue of objection memo the local authority effected recovery of Rs.256.00 vide M.R.No.7366 dtd.29.03.2018 from Sri Prafulla Kumar Pati, T.C and credited to NAC Fund.

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**11.2 - Misappropriation of Cash due to non-deposit of Collection Money POM P/37 -**

On checking of the receipts of different Taxes and rents with reference to Money receipts Book and daily collection Register Cashier Cash Book and Accountant Cash Book for the year under audit it was noticed that vide Holding Tax Receipt Book for the year 2016-17 (Statement given below) a total sum of Rs.440.00 had been collected in shape of cash towards Holding Tax collected by Sri Prafulla Kumar Pati, T.C. But the said amount was neither deposited to the cashier nor deposited in bank account of Municipality directly by Sri Pati, T.C till date due to totaling mistake.

Due to non deposit of collection money there occurred a loss of Rs.440.00 to the Municipality Fund for which Sri Pati is him self responsible.

Date of Collection	Actual Amount	Amount shown in DCR	Less Deposit	DCR	Name of the Tax Collector
17.02.17 to 04.03.17	21,724.00	21,706.00	18.00	41	Prafulla Ku. Pati, T.C
18.03.17	3,235.00	3,225.00	10.00	47	-do-
29.03.17	44,557.00	44,552.00	5.00	48	-do-
13.07.17	2,741.00	2,672.00	69.00	15	-do-
19.07.17	9,403.00	9,399.00	4.00	16	-do-
04.12.17	3,932.00	3,928.00	4.00	17	-do-
05.12.17	3,118.00	3,108.00	10.00	19	-do-
15.12.17	3,548.00	3,538.00	10.00	20	-do-
16.12.17	2,523.00	2,509.00	14.00	21	-do-
14.12.17	4,531.00	4,523.00	8.00	25	-do-
16.12.17	2,891.00	2,744.00	147.00	28	-do-
03.01.18	9,980.00	9,972.00	8.00	31	-do-
11.01.18	1,966.00	1,964.00	2.00	35	-do-
19.01.18	3,884.00	3,874.00	10.00	38	-do-
29.01.18	3,292.00	3,271.00	21.00	39	-do-
03.02.18	6,281.00	6,181.00	100.00	42	-do-
		<b>Total :</b>	<b>440.00</b>		

In issue of objection memo the local authority effected recovery of Rs.440.00 vide M.R.No.7360 dtd.29.03.2018 from Sri Prafulla Kumar Pati, T.C and credited to NAC Fund.

**11.3 - Misappropriation of Cash due to non-deposit of Collection Money POM P/39 -**

On checking of the receipts of different Taxes and rents with reference to Money receipts Book and daily collection Register Cashier Cash Book and Accountant Cash Book for the year under audit it was noticed that vide Shop Room Receipt Book for the year 2016-17 (Statement given below) a total sum of Rs.2,320.00 had been collected in shape of cash towards Shop Room collected by Sri Pitambar Nayak, T.C. But the said amount was neither deposited to the cashier nor deposited in bank account of Municipality directly by Sri Nayak, T.C till date due to totaling mistake.

Due to non deposit of collection money there occurred a loss of Rs.2,320.00 to the Municipality Fund for which Sri Pati is him self responsible.

Date of Collection	Actual Amount	Amount shown in DCR	Less Deposit	DCR	Name of the Tax Collector
27.03.17	18,710.00	17,710.00	1,000.00	41	Pitambar Nayak.
25.09.17	18,312.00	18,232.00	80.00	18	-do-
21.11.17	14,484.00	13,724.00	760.00	24	-do-
16.12.17	10,380.00	9,900.00	480.00	27	-do-
		<b>Total :</b>	<b>2,320.00</b>		

In issue of objection memo the local authority effected recovery of Rs.2,320.00 vide M.R.No.7364 dtd.29.03.2018 from Sri Pitambar Nayak, T.C and credited to NAC Fund.

**11.4 - Misappropriation of Cash due to non-deposit of Collection Money POM P/40 -**

On checking of the receipts of different Taxes and rents with reference to Money receipts Book and daily collection Register Cashier Cash Book and Accountant Cash Book for the year under audit it was noticed that vide Misc Receipt Book for the year 2016-17 (Statement given below) a total sum of Rs.300.00.00 had been collected in shape of cash towards Water Tanker collected by Sri Narayan Mohapatra, T.C. But the said amount was neither deposited to the cashier nor deposited in bank account of Municipality directly by Sri Mohapatra, T.C till date. due to totaling mistake.

Due to non deposit of collection money there occurred a loss of Rs.300.00 to the Municipality Fund for which Sri Mohapatra is him self responsible.

Date of Collection	Actual Amount	Amount shown in DCR	Less Deposit	DCR	Name of the Tax Collector
31.07.17	6,300.00	6,000.00	300.00	24	Narayan Mohapatra, T.C
		Total :	300.00		

In issue of objection memo the local authority effected recovery of Rs.300.00 vide M.R.No.7361 dtd.29.03.2018 from Sri Narayan Mohapatra, T.C and credited to NAC Fund.

**11.5 - Misappropriation of Cash due to non-deposit of Collection Money POM P/41 -**

On checking of the receipts of different Taxes and rents with reference to Money receipts Book and daily collection Register Cashier Cash Book and Accountant Cash Book for the year under audit it was noticed that vide Misc Receipt Book for the year 2016-17 (Statement given below) a total sum of Rs.518.00.00 had been collected in shape of cash towards Misc receipt collected by Sri Pramod Kumar Barik, T.C. But the said amount was neither deposited to the cashier nor deposited in bank account of Municipality directly by Sri Barik, T.C till date. due to totaling mistake.

Due to non deposit of collection money there occurred a loss of Rs.518.00 to the Municipality Fund for which Sri Mohapatra is him self responsible.

Date of Collection	Actual Amount	Amount shown in DCR	Less Deposit	DCR	Name of the Tax Collector
28.11.17	62,274.00	61,756.00	518.00	36	Pramod Ku. Barik, J.C
		Total :	518.00		

In issue of objection memo the local authority effected recovery of Rs.518.00 vide M.R.No.7368 dtd.29.03.2018 from Sri Pramod Kumar Barik, J.C and credited to NAC Fund.

**11.6 - Misappropriation of Cash due to non-deposit of Collection Money POM/42 -**

On checking of the receipts of different Taxes and rents with reference to Money receipts Book and daily collection Register Cashier Cash Book and Accountant Cash Book for the year under audit it was noticed that vide Holding Tax Receipt Book for the year 2016-17 (Statement given below) a total sum of Rs.2,848.00 had been collected in shape of cash towards Holding Tax collected by Sri Gangan Palaur, T.C. But the said amount was neither deposited to the cashier nor deposited in bank account of Municipality directly by Sri Palaur, T.C till date.

Due to non deposit of collection money there occurred a loss of Rs.2,848.00 to the Municipality Fund for which Sri Palaur is him self responsible.

Sl. No.	Receipt Book No.	Receipt No./ Date	From whom collected	Amount	Purpose
1.	45	4414/ 24.04.17	Kasinath Sahoo,	618.00	Service Charges
2.	45	4415/24.04.17	Sarat Ku. Mohapatra.	99.00	-do-
3.	45	4416/25.04.17	Kartik Ch. Sahoo	61.00	-do-
4.	45	4417/25.04.17	Joginath Sahoo	161.00	-do-
5.	45	4418/05.04.17	Biswanath Mohapatra	125.00	-do-
6.	45	4419/25.04.17	Bhramara Behera,	83.00	-do-

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7.	45	4420/25.04.17	Gopinath Sahoo,	300.00	-do-
8	45	4421/27.04.17	Sangram Bibhuti Roy	151.00	-do-
9.	45	4422/27.04.17	Bansidhar Sahoo	10.00	Mutation Fees
10	45	4423/27.04.17	Sudarsan Pursty.	300.00	Scrutiny Fees
11.	45	4424/10.05.17	Kasinath Sahoo	107.00	Service Charges
12.	45	4425/29.05.17	Jaganath Panda,	83.00	-do-
13.	45	4426/31.05.17	Rama Bhat	192.00	-do-
14.	45	4427/31.05.17	Hari Chandra Panda.	10.00	Mutation Fees
15.	45	4428/16.08.17	Muralidhar Behera	10.00	-do-
16.	45	4429/07.08.17	Villash Chandra Behera	300.00	Scrutiny Fees
17.	45	4430/11.08.17	Pitei Swain	10.00	Mutation Fees
18	45	4431/20.09.17	Surya Ketan Pradhan	10.00	-do-
19.	45	4432/25.11.17	Krushna Chandra Pradhan	85.00	Service Charges
20.	45	4433/04.12.17	Patitapaban Mohapatra	10.00	Mutation Fees.
21.	45	4434/18.12.17	Ganeswar Rana,	10.00	-do-
22.	45	4435/18.12.17	R.C. Behera	10.00	-do-
23.	45	4436/06.01.18	S. Mohapatra	10.00	-do-
24.	45	4437/25.01.18	T.K Pattanaik,	10.00	-do-
25.	45	4438/28.02.18	Kulamani Pradhan,	83.00	Service Charges
Total :				2,848.00	

In issue of objection memo the local authority effected recovery of Rs.2,848.00 vide M.R.No.7357 dtd.29.03.2018 from Sri Gagan Bihari Palaur, T.C and credited to NAC Fund.

#### 11.7 - Excess expenditure incurred in the OAP Acquittance Roll. POM P/45

In course of checking Accountant Cash Book with reference to NOAP/SOAP Acquittance roll for the year 2016-17 it was noticed that a sum of Rs.3,400.00 in excess expenditure to shown in OAP Acquittance Roll and Cash Book than the actual due to erroneous calculation. Details are given below.

Sl. No.	Month of Disbursement	Amount Shown in Cash Book	Actual Expenditure	Excess	Name of the amount disbursed	Scheme	Acq. Roll Page No.	Recovered vide M.R. No. & Date
1.	Sept.-2016	4800.00	4500.00	300.00	Prafulla Ku. Pati, T.C.	IGNOAP	11	7359/ 29.03.2018
2.	-do-	4200.00	3900.00	300.00	-do-	IGNWP	16	
3.	-do-	3900.00	1800.00	2100.00	-do-	MBPY	27	
4.	-do-	2400.00	2100.00	300.00	-do-	MBPY	38	
5.	Apr. -2016	5600.00	5400.00	200.00	Manoranjan Rout, TC	MBPY	39	7362/ 29.03.2018
6.	Apr.-2016	4400.00	4200.00	200.00	-do-	MBPY	40	
7.	Feb. 2017	1200.00	900.00	300.00	Rama Chandra Mangual, TC	ODP	67	7363/ 29.03.2018
8.	June-2016	234900.00	233800.00	1100.00	Narayan Mohapatra, TC etc.	MBPY, NOAP etc.	Abstract page.	7358/ 29.03.2018
Total :				4,800.00				

In response to audit objection memo the local authority effected recovery of Rs.4,500.00 against the M.R. Nos. indicated above and credit in NAC fund.

#### PARA: 12 LOSS OF STOCK & STORE

12.1 -

No Comments .

**PARA: 13 AUDIT OF RECEIPTS**

**13.1 - The Demand ,Collection & Balance of Taxesosp-28-**

The Demand, Collection and Balance register is not maintained properly. Basing on the last audit report and Demand, Collection and Balance as supplied by the local authority, the demand, collection and balance for the year 2016-17 is given below.

**Demand Collection & Balance**

Taxes	DEMAND			COLLECTION			Rebate	Current	BALANCE		
	Arrear	Current	Total	Arrear	Current	Total	Allowed	Collection	Arrear	Current	Balance
								+ Rebate 9 (6+8)	10(2-5)	11(3-9)	
1	2	3	4	5	6	7	8	9(6+8)	10(2-5)	11(3-9)	12
Holding Tax	905154.00	738863.00	1644017.00	443147.00	553154.00	996301.00	28690.00	581844.00	462007.00	157019.00	619026.00
Light Tax	736986.00	544669.00	1281655.00	343223.00	453805.00	797028.00	22952.00	476757.00	393763.00	67912.00	461675.00
Water Tax	146441.00	194130.00	340571.00	95180.00	104077.00	199257.00	5739.00	109816.00	51261.00	84314.00	135575.00
<b>Total :</b>	<b>1788581.00</b>	<b>1477662.00</b>	<b>3266243.00</b>	<b>881550.00</b>	<b>1111036.00</b>	<b>1992586.00</b>	<b>57381.00</b>	<b>1168417.00</b>	<b>907031.00</b>	<b>309245.00</b>	<b>1216276.00</b>
Card Carrage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cycle Stand	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shop Room Rent.	696129.00	542928.00	1239057.00	254929.00	407376.00	662305.00	0.00	407376.00	441200.00	135552.00	576752.00
Auction of Tank.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D&O (u/s-290)	0.00	47563.00	47563.00	0.00	47563.00	47563.00	0.00	47563.00	0.00	0.00	0.00
Meat Stall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Parking Fees	0.00	95374.00	95374.00	0.00	95374.00	95374.00	0.00	95374.00	0.00	0.00	0.00
Daily Market	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ground Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>696129.00</b>	<b>685865.00</b>	<b>1381994.00</b>	<b>254929.00</b>	<b>550313.00</b>	<b>805242.00</b>	<b>0.00</b>	<b>550313.00</b>	<b>441200.00</b>	<b>135552.00</b>	<b>576752.00</b>
<b>G.TOTAL:</b>	<b>2484710.00</b>	<b>2163527.00</b>	<b>4648237.00</b>	<b>1136479.00</b>	<b>1661349.00</b>	<b>2797828.00</b>	<b>57381.00</b>	<b>1718730.00</b>	<b>1348231.00</b>	<b>444797.00</b>	<b>1793028.00</b>

From the above Demand, Collection and Balance position it is found that the collections of taxes were moving around 59.73 % 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.

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

The year-wise break up of outstanding dues(Holding, Light and water Tax) as on 31-03-17 as produced by the Local authority is furnished below.

Year wise break up of outstanding dues(Holding, Light and Water Tax) furnished by local authority as on 31-03-16 is furnished below			
Sl. No.	Year	Amount (Holding Tax)	Remarks
1	Upto 2009-10	1,05,187.00	
2	2010-11	75,401.00	
3	2011-12	1,12,810.00	
4	2012-13	1,05,875.00	
5	2013-14	2,03,053.00	
6	2014-15	1,92,437.00	
7	2015-16	1,12,268.00	
8	2016-17	3,09,245.00	
	<b>Total :</b>	<b>12,16,276.00</b>	

From the above table, it is noticed that the collection position of the above three types of current taxes and duties were reducing day by day and the Local authority failed to explain the its reasons. Further, it can be perused from the Financial Statement that during the year 2016-17 the Local Authority could able to collect its total income(both taxable and non-taxable) of Rs 31,98,774.00 by making expenditure of Rs.31,06,970.00 only towards its collection machineries. It is worth some to mention here that the Local Authority also not sincere in maintenance of its records and timely completion of assessment for which new holdings were not enrolled, which causes great loss to the exchequer. The Local Authority also failed in every front to administered the collection mechanism, because they have neither enforced Section-161 to 163 OM Act nor got the work done through its employees by enforcing Rule -201 of the Orissa Municipal Rules.

**As per Rule-200 of the OM Rule, 1953, the ULB council is required to scrutinise the progress statement prepared in prescribed format at the beginning of each month and adopt measures necessary for collection or remission of arrears but the council failed to do so. Further the council is advised to take effective steps and to adopt the procedure of reward and punishment as described under Rule 201(2) of O.M. Rules, 1953 in order to enhance the status of collection.**

**At the time of exit conference:-** As per the Audit Report out of a total demand of Rs.46,48,237.00 against different taxes, rents and Licence Fees only a sum of Rs.27,97,828.00 was collected during the financial year 2016-17 leaving Rs.17,93,028.00 as outstanding for collection as on 31.03.2017. Thus the collection position was not encouraging. At the time of exit conference the Executive Officer assured to enhance the collection of Taxes and Rents in current financial year.

### 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 alternations 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 theact.
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.

**At the time of exit conference -** As per the Audit Report no assessment of new holdings was made during financial year 2016-17. During exit conference the Executive Office stated that due to vacancy in Amin Post and over work load on J.E for implementation of Urban Poor Housing Scheme no new assessment was made. However steps already been taken for assessment of new holdings in NAC area from financial year 2018-19.

**13.3 - Information on Holding Tax Collection Mechanism-**

**01) No. of Tax Collector employed & No. Of Tax Collectors collected Tax:-06 Numbers.**

**02) Any other employee associated with the process-**Sri P.K. Barik, Tax Daroga was engaged for supervision of collection of taxes during the four years(2012-13, 2013-14, 2014-15, 2015-16)

**03) Target and achievement of each Tax Collector-**No target was found to have been fixed with the Tax Collectors for the year 2012-13 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 of OMA (Reward & Punishment) :-**The local authority was found not to have followed Rule-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.

**05) 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 details of collection of Holding Tax are furnished below.

Sl.No.	No. of Total Holding	Remarks
2010-11	3342	
2011-12	3688	
2012-13	3688	
2013-14	3688	
2014-15	3688	
2015-16	3688	
2016-17	3703	

The reason of stagnant on 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 Taxesosp-14-**

Statement showing year wise Breakup outstanding of Taxes and Fees

Year wise break up of outstanding dues(Holding, Light and Water Tax) furnished by local authority as on 31-03-17 is furnished below			
Sl.No.	Year	Amount (Holding Tax)	Remarks
1	Upto 2009-10	1,05,187.00	
2	2010-11	75,401.00	
3	2011-12	1,12,810.00	
4	2012-13	1,05,875.00	Time barred dues.
5	2013-14	2,03,053.00	
6	2014-15	1,92,437.00	
7	2015-16	1,12,268.00	
8	2016-17	3,09,245.00	
	<b>Total :</b>	<b>12,16,276.00</b>	

*25/7/18*  
**Executive Officer**  
**N.A.C., BANKI**

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 all the arrear collections relating of the year 2015-16 from the outstanding of taxes and fees prior for the year 2013-14. Hence the local authority is suggested to maintain a register relating to break up outstanding taxes and fees and compliance reported.

**TIME BARRED DUES BY LIMITATION :-**

It can be seen from break up of outstanding taxes & fees furnished above, a total sum of Rs 1,05,875.00 due for realization pertaining to the year 2012-13, 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 2012.13. 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 Palaour, T.C. was in charge of Tax Section from 01-04-15 to 16-12-15 and Sri Pramod Kumar Barik, T.C. was in charge of Tax Section from 17-12-15 to 31-03-17. 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.1,05,875.00 relating to the year 2012-13. 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.1,05,875.00 is suggested for recovered from the persons responsible.

**Responsible Person for this paragraph**

Sino	Name	Designation	Adress	Amount(In Rs:)
1	Pramod Kumar Barik, J.C	J.C	C.o-E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	26469
2	Satyabrata Mantri, E.O.	E.O	E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	26469
3	Nalinikanta Behera, Ex-E.O.,	Ex-E.O.	Now C.O. at Brajarajanagar Municipality, At Po-Brajarajanagar, Dist-Jharsuguda.	26469
4	Gagan Bihari Palaur, T.C	T.C	C.o-E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	26468

**13.5 - Telephone Tower -**

**Collection of licnce fees(fee for granting permission and renewal of permission) in respect of telephone towers within municipal areas :-**

As per letter No.-6875-Gen.(Tel)-06/2007-Com.-16-08-2007 read with letter 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, dtd. 31-12-2014, installation and renewal fees in respect of mobile towers have been enhanced. However, there is a condition that the said circular will be operative after publication of the same in Odisha Gazette.

During the year under as revealed from Receipt Statement a sum of Rs 5,000.00 have been collected towards renewal of Mobile tower license fees.

**13.6 - Assessment of New Holdings -**

**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	0	0	Not available	No Assessment Register is maintained and produced. Data taken from Assessment File Index No.01/2015-16, File No.01/2016-17

The Executive Officer is suggested to make assessment of New Holdings on the newly constructed buildings / houses during the year 2016-17 to avoid the revenue leakage of the NAC.

### 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. Next due for increase of tax on 01-04-16 which has been implemented from the financial year 2017-18. However the local authority is suggested to revise the holding tax regularly for getting additional revenue of the NAC and compliance reported.

### 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 computerised statement. The details are furnished below.

The Demand-Collection-Balance Position of Rent on Shop Room of Banki NAC for 2016-17.										
Sl.No.	Particulars	Demand			Collection			Balance		
		Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
1.	Rent of Shop Room.	696129.00	542928.00	1239057.00	254929.00	407376.00	662305.00	441200.00	135552.00	576752.00

It is evident from the above table that against the total demand of Rs 12,39,057.00 a sum of Rs 6,62,305.00 only has been collected during the year 2016-17 , leaving a balance of Rs 5,76,752.00 . 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.

The break up of outstanding Shop Room Rent as on 31-03-17 is furnished below.

Year wise break up of outstanding Rent of Shop Room furnished by local authority as on 31-03-17 is furnished below

*(Signature)*  
23/7/18  
**Executive Officer**  
**N.A.C., BANKI**

Sl.No.	Year	Amount (Holding Tax)	Remarks
1	Upto 2009-10	39,613.00	
2	2010-11	41,381.00	
3	2011-12	56,575.00	
4	2012-13	53,175.00	Time barred
5	2013-14	85,303.00	
6	2014-15	1,12,984.00	
7	2015-16	52,169.00	
8	2016-17	1,35,552.00	
	<b>Total :</b>	<b>5,76,752.00</b>	

It can be seen from break up of outstanding taxes & fees furnished above, a total sum of Rs.53,175.00 due for realization pertaining to the year 2012-13, 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 2012-13. 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 Pitambar Nayak, T.C. was in charge of Tax Section from 01-04-15 to 16-12-15. 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.53,175.00 relating to the year 2012-13. As per Section-346 of OMA Act, 1950 read with Finance department letter no-4667/XIV-Audit-2/72 LFA dt.-28.11.1973 the loss amount of Rs.53,175.00 is suggested for recovered from the persons responsible.

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs.)
1	Pitambar Nayak, T.C	T.C	C.o-E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	53175

**13.9 - Reconciliation of Holding, Light, Water taxes and Shop Room Rent -**

**Reconciliation of Holding, Light, Water taxes and Shop Room Rent Collection amount as per D.C.B. and as per Accountant Cash Book.**

Sl. No.	Particulars	Holding Tax	Light Tax	Water Tax	Shop Room Rent.
1.	Collection as per Accountant Cash Book during 2016-17	10,41,897.00	8,33,504.00	2,08,376.00	5,83,855.00
2.	Add: Rebate allowed during the year 2016-17.	(+)28,690.00	(+)22,952.00	(+)5,739.00	0.00
3.	Deduct: Collected amount relating to F.Y. 2015-16 but accounted for in 2016-17	(-)1,16,768.00	(-)93,414.00	(-)23,354.00	(-)32,296.00
4.	Add: Collection amount relating to F.Y 2016-17, but taken into Accountant Cash Book in 2017-18	(+)71,172.00	(+)56,938.00	(+)14,235.00	(+)1,11,046.00
5.	Collection amount as per D.C.B. for F.Y 16-17	10,24,991.00	8,19,980.00	2,04,996.00	6,62,305.00

**13.10 - Non-Collection of License Renewal Fees in respect of Telephone Towers within the NAC Area -**

**Non-Collection of License Renewal Fees in respect of Telephone Towers within the NAC Area :-** On checking of the D.C.B. Register of Telephone towers and files relating to Telephone Towers for the period covered under audit it was noticed that there is a loss of Rs.53,500.00 of NAC revenue due to non collection of License (Renewal fees/fines) in respect of Telephone Towers within the NAC Area. The details are as follows :-

Sl. No.	Name of the Tower Company	Year of Installation	No. of Towers	Demand Period	Demand amount	Fines due (@100/- per month)	Total due	Collection	Balance	Collection period
1.	Voda Phone	2015-16	3 nos	2015-16 to 2017-18	15000.00	0.00	15000.00	12000.00	3000.00	MR No.20 01 dtd.30.03.2015
2.	Bharati Infratel Ltd.	2016-17	4 nos	2016-17 to 2018-19	20000.00	0.00	20000.00	20000.00	0.00	MR No.20 24 to 27 dtd.27.02.2016
3.	Tower Vision India Pvt. Ltd.	2015-16	1no.	2015-16 to 2017-18	5000.00	0.00	5000.00	5000.00	0.00	MR No.26 13 dtd.19.12.2016
4.	ATC Telecom Infrastructure Pvt. Ltd.	2012-13	2 nos.	2012-13 to 2014-15, again from 2015-16 to 2017-18	16000.00	5700.00 (@ 100.00 for 57 months)	21700.00	16000.00	5700.00	MR No.26 17 dt.28.1.2017
5.	BSNL	--	2 nos.	Upto 2013-14	28000.00	--	28000.00	0.00	28000.00	
	BSNL	--	2 nos.	2014-15	2000.00	--	2000.00	0.00	2000.00	
	BSNL	--	2 nos.	2015-16 to 2017-18	10000.00	4800.00 (from 01.04.2013 to 31.03.2017)	14800.00	0.00	14800.00	
<b>Total :</b>									<b>53500.00</b>	

As per H & UD Deptt. Notification No.HUD-DIR-POLICY-16/2014(PT)-28334 dtd.31.12.2014 renewal fees Rs.5,000.00 need to be deposited for 3 years.

In response to POM the local authority furnished no reply. However at the time of exit conference the Executive Officer agreed to collect the from respective Telephone Tower companies and the compliance would be shown to next audit.

However till the collection of outstanding dues of Rs.53,500.00 the following persons are held responsible.

1. Sri Pitambar Nayak, T.C. Rs.26,750.00
2. Sri Satyabrata Mantry, E.O. Rs.26,750.00

**Responsible Person for this paragraph**

Sino	Name	Designation	Adress	Amount(In Rs:)
1	Pitambar Nayak, T.C	T.C	C.o-E.O., Banki N.A.C.,	26750

*23/7/18*  
**Executive Officer**  
**N.A.C., BANKI**

2	Satyabrata Mantri, E.O.	E.O	At.Po-Banki, Dist-Cuttack. E.O., Banki N.A.C., At.Po-Banki, Dist-Cuttack.	26750
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**PARA: 14 AUDIT OF EXPENDITURE**

**14.1 - Staff Position -**

Sanctioned Post and Staff position of Banki NAC for the year 2016-17 :-

Sl.No.	Category of post	No. of Sanction posts	Man in Position	Vacancy as on 31.03.2016	Remarks
1.	Executive Officer	01	01	0	
2.	Asst. Engineer	01	0	01	
3.	Junior Engineer	01	01	0	
4.	Community Organize	01	01	0	
5.	Head Asst.	01	0	01	
6.	Sr. Asst.	01	0	01	
7.	Jr. Asst.	02	02	0	
8.	Lighter Fitter	01	01	0	
9.	Driver	01	01	01	
10.	Peon	10	09	0	
11.	Watchman	01	01	0	
12.	Work Sarkar	01	01	0	
13.	Amin	01	01	0	
14.	Sweeper cum Night Watch man	07	06	01	
15.	Ambulance Helper	01	01	0	
16.	Tax Collector	11	10	01	
17.	M.I.S	01	01	0	
18.	Accountant	01	01	0	
<b>Total :</b>		<b>44</b>	<b>38</b>	<b>06</b>	

**14.2 - Non - Deposit of VAT Amount OSP P/44 -**

A total sum of Rs.4,49,440.00 was collected towards cost of Tender Paper which was taken into Accountant Cash Book during the year under audit. The above amount includes 5% VAT. The VAT amounting to Rs.21,402.00 as calculated below needs be drawn and deposited to proper quarters of Govt.

105 cost of Tender Paper = 5.00 VAT

1 cost of Tender Paper = 5 / 105

Rs.4,49,440.00 cost of Tender paper =  $5 / 105 \times 4,49,440.00 = \text{Rs.}21,401.90$

Or say Rs.21,402.00

In response to audit objection memo the local authority replied that :- Steps would be taken to deposit the Vat amount and credit compliance will be shown to audit at the time of exit conference.

**At the time of exit conference :-** the Executive Officer stated that the said outstanding deposit the outstanding VAT amount of Rs.21,402.00 has already been deposited vide Challan no.08/ 24.04.2018 as per the audit report. Hence the para dropped.

*[Signature]*  
25/7/18  
**Executive Officer**  
**N.A.C.,BANKI**

**14.3 - Sanction order wanting OSP27-28-**

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 and DLR staff, it was found that a sum of Rs.14,99,950.00 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: In reply to the Audit Objection Statement the local authority replied "steps will be taken for regularisation. Till regularisation and production of the sanction orders the total amount of Rs.14,99,950.00 is held under objection.

Sl.No.	Vr.No./Date	Month	Gross Salary	Net Payment	Particulars	Remarks
1	13/11.04.2016	Mar-16	78950.00	56765.00	Consolidated pay of General Staff	
2	136/04.05.2016	Apr-16	78950.00	56765.00	do	
3	202/06.06.2016	May-16	78950.00	56765.00	do	
4	299/01.07.2016	Jun-16	78950.00	56765.00	do	
5	379/04.08.2016	Jul-16	78950.00	56765.00	do	
6	470/07.09.2016	Aug-16	78950.00	50765.00	do	
7	560/03.10.2016	Sep-16	78950.00	57965.00	do	
8	744/02.11.2016	Oct-16	78950.00	55365.00	do	
9	846/05.12.2016	Nov-16	68760.00	43240.00	do	
10	948/05.01.2017	Dec-16	78950.00	50765.00	do	
11	1031/07.02.2017	Jan-17	80950.00	54765.00	do	
12	1097/08.03.2017	Feb-17	78950.00	52765.00	do	
13	14/11.04.2016	Mar-16	47900.00	31199.00	Consolidated pay of Sweeper Staff	
14	137/04.05.2016	Apr-16	45727.00	29479.00	do	
15	203/06.06.2016	May-16	43424.00	27318.00	do	
16	300/01.07.2016	Jun-16	46896.00	30251.00	do	
17	380/04.08.2016	Jul-16	48260.00	31659.00	do	
18	471/08.09.2016	Aug-16	47196.00	30517.00	do	
19	561/03.10.2016	Sep-16	48360.00	35859.00	do	
20	745/02.11.2016	Oct-16	48360.00	35859.00	do	
21	847/05.12.2016	Nov-16	45267.00	33187.00	do	
22	949/05.01.2017	Dec-16	46952.00	30295.00	do	
23	1032/07.02.2017	Jan-17	45594.00	24693.00	do	
24	1098/08.03.2017	Feb-17	46804.00	30103.00	do	
		<b>Total :</b>	<b>1499950.00</b>	<b>1019874.00</b>		

**At the time of exit conference :-** A sum of Rs.14,99,950.00 has been kept under objection due to non production of sanction orders against appointment of Class-III, and IV employees paid at the consolidated rate to DLR staff. At the time of exit conference the Executive Officer assured for production of sanction orders to next audit.

*(Signature)*  
22/7/18  
**Executive Officer**  
**N.A.C., BANKI**

**PARA: 15 AUDIT ON WORKS**

**15.1 - Work case records position -**

The work case record position for the year 2016-17 is furnished below.

Particulars	No. of Works case records	Amount involved	Remarks (Reasons for non verification)
Total works case records due for verification	84 nos.	1,57,39,881.00	-
Works case records verified by audit	84 nos.	1,57,39,881.00	-
Balance works case records that could not be verified by audit.	Nil	Nil	-

**15.2 - Excess payment in work OSP P/68 -**

Name of the Work : Repr. and Re-construction of Road from Ananta Dash House to Satrugan Samal House in Ward No.2

Name of the Contractor : Sri Sunil Kumar Khatua,

Estt. Cost : Rs.4,58,174.00 Head A/c : Main. of Capital Assets.

Name of the J.E : Sri Dillip Kumar Swain, C/R No.01/2016-17

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

Vr.No. 777 dtd.17.11.2016 M.B.No.97, Page : 81 to 87

Tender Bid Value : Rs.4,12,357.00 ( 10% Less)

**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 Pravat Kumar Sahoo,	3,89,494.00	14.99%	
2.	Sri Sukanta Kumar Rout,	3,89,494.00	14.99%	
3.	Sri Prasanta Kumar Sethi,	3,89,494.00	14.99%	
4.	Sri Rajani Kanta Mishra,	3,89,494.00	14.99%	

**Executive Officer**  
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5.	Sri Hiralal Sutar, (S.C)	4,12,357.00	10%	
6.	Sri Sushil Kumar Sahoo,	3,89,494.00	14.99%	
7.	Sri Subas Chandra Behera, (S.C)	3,89,494.00	14.99%	
8.	Sri Sunil Kumar Khatua, (S.C)	4,12,357.00	10%	Awarded work order on Lottery basis
9.	Sri Rabindranath Sahoo,	3,89,494.00	14.99%	

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 9 (Nine) 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 Sunil Kumar Khatua, 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 Rs.22,863.00 in the tender process. The details of amount is furnished below.

Estimated Cost	Bid value	Work order value	Admissible Value	Excess payment
4,58,174.00	4,12,357.00	4,12,357.00	3,89,494.00	22,863.00
			<b>Total :</b>	<b>22,863.00</b>

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.22,863.00 has been recovered vide M.R.No.7391 / 26.04.2018 from the Contractor Sri Sunil Kumar Khatua. Hence the para dropped.

### 15.3 - Excess payment in work OSP P/66 -

Name of the Work : Repr. and Re-construction of Road from Balada Gadhua Pond to Benu Rout House in Ward No.15, 16, Phase - I.

Name of the Contractor : Sri Gandharba Mallick (S.C.),

Estt. Cost : Rs.9,53,328.00

Head A/c : RD Grant 2015-16.

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

C/R No.

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

Vr.No.866 dtd.19.12.2016

M.B.No.96, Page : 155 to 167

Tender Bid Value : Rs.8,57,996.00 ( 10% Less)

#### 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 Gandharb Mallick, (S.C.)	8,57,996.00	10%	Awarded work order on Lottery basis
2.	Sri Hiralal Sutar,	8,57,996.00	10%	
3.	Sri Prasanta Kumar Sethi, (S.C)	8,10,424.00	14.99%	
4.	Sri Rajanikanta Mishra,	8,10,424.00	14.99%	
5.	Sri Jiten Nayak,	8,10,424.00	14.99%	

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 5 (Five) 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 Gandharb Mallick 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 Rs.47,511.00 in the tender process. The details of amount is furnished below.

*(Signature)*  
22/7/18  
**Executive Officer**  
**N.A.C., BANKI**

Bill Payment made		Amount due for payment		Remarks
Work value	9,52,128.39	Work value	9,52,128.00	
Less as per agreement (-) 10% less	(-) 95,213.00	Admissible less 14.99%	(-)1,42,724.00	
Net Payment	8,56,915.00	Net payment	8,09,404.00	

**Excess payment = Rs.8,56,915.00 – Rs.8,09,404.00 = Rs.47,511.00**

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.47,511.00 has been recovered vide M.R.No.7389 / 26.04.2018 from the Contractor Sri Gandharba Mallick. Hence the para dropped.

#### 15.4 - Excess payment in work OSP P/64 -

Name of the Work : Constr.of Drain from R.C.M S Office gate to Pravat Raj House in Ward No.12

Name of the Contractor : Sri Sunil Kumar Khatua (S.C.),

Estt. Cost : Rs.3,75,500.00

Head A/c : RD Grant 2016-17.

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

C/R No.10/2016-17

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

Vr.No.663 dtd.21.10.2016

M.B.No.109, Page : 07 to 17

Tender Bid Value : Rs.3,37,945.00 ( 10% Less)

#### **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 Sunil Kumar Khatua, (S.C)	3,37,945.00	10%	Awarded work order on Lottery basis
2.	Sri Pravat Kumar Sahoo,	3,19,208.00	14.99%	
3.	Sri Sushil Kumar Sahoo,	3,19,208.00	14.99%	
4.	Sri Rajanikanta Mishra,	3,19,208.00	14.99%	

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 4 (Four) 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 Sunil Kumar Khatua, 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 **Rs.18,717.00** in the tender process. The details of amount is furnished below.

Bill Payment made		Amount due for payment		Remarks
Work value	3,75,088.00	Work value	3,75,088.00	
Less as per agreement (-) 10% less	(-) 37,508.00	Admissible less 14.99%	(-)56,226.00	
Net Payment	3,37,579.00	Net payment	3,18,862.00	

**Excess payment = Rs.3,37,579.00 – Rs.3,18,862.00 = Rs.18,717.00**

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

*[Signature]*  
23/7/18  
**Executive Officer**  
**N.A.C., BANKI**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.18,717.00 has been recovered vide M.R.No.7392 / 26.04.2018 from the Contractor Sri Sunil Kumar Khatua. Hence the para dropped.

**15.5 - Excess payment in work OSP P/62 -**

Name of the Work : Constrn.of C.C.Road from Main Road to Prafulla Pati House via Pravat Behera House in ward No.5

Name of the Contractor : Sri Hiralal Sutar, (S.C.).

Estt. Cost : Rs.6,47,200.00

Head A/c : 14<sup>th</sup> FCA (Basic)

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

C/R No.20/2016-17

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

Vr.No.960 dtd.06.01.2017

M.B.No.103, Page : 52 to 65

Tender Bid Value : Rs.5,82,560.00 ( 10% Less)

**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 Hiralal Sutar, (S.C)	5,82,560.00	10%	Awarded work order on Lottery basis
2.	Sri Pravat Kumar Sahoo,	5,50,260.00	14.99%	
3.	Sri Sukanta Kumar Rout,	5,50,260.00	14.99%	
4.	Sri Rajanikanta Mishra,	5,50,260.00	14.99%	
5.	Sri Prasanta Kumar Sethi,	5,50,260.00	14.99%	
6.	Sri Subash Chandra Behera,	5,50,260.00	14.99%	
7.	Sri Biranchi Behera,	5,82,560.00	10%	

As per OPWD Code, S.C/S.T bidder can avail additional 10% margin over their bid value for consideration of their illegiabilty 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 7 (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 Hiralal Sutar 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 **Rs.32,295.00**

in the tender process. The details of amount is furnished below.

Bill Payment made		Amount due for payment		Remarks
Work value	6,47,200.00	Work value	6,47,200.00	
Less as per agreement (-) 10% less	(-) 64,720.00	Admissible less 14.99%	(-)97,015.00	
Net Payment	5,82,480.00	Net payment	5,50,185.00	
<b>Excess payment = Rs.5,82,480.00 – Rs.5,50,185.00 = Rs.32,295.00</b>				

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.32,295.00 has been recovered vide M.R.No.7390 / 26.04.2018 from the Contractor Sri Hiralal Sutar. Hence the para dropped.

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

**15.6 - Excess payment in work OSP P/60 -**

Name of the Work : Repair and Re-construction of 3 nos. of Shop Room house no.18, 19 & 20 near Rice market in Ward no.10

Name of the Contractor : Sri Sunil Kumar Khatua, (S.C.),

Estt. Cost : Rs.2,59,900.00

Head A/c : Devolution Fund

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

C/R No.07/2016-17

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

Vr.No.1127 dtd.18.03.2017

M.B.No.107, Page : 57 to 72

Tender Bid Value : Rs.2,34,003.00 ( 10% Less)

**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 Sunil Kumar Khatua, (S.C)	2,34,003.00	10%	Awarded work order on Lottery basis
2.	Sri Sushil Kumar Sahoo,	2,21,029.00	14.99%	
3.	Sri Sukanta Kumar Rout,	2,21,029.00	14.99%	
4.	Sri Rajanikanta Mishra,	2,21,029.00	14.99%	
5.	Sri Rabindranath Sahoo,	2,21,029.00	14.99%	
6.	Sri Subash Chandra Behera,	2,21,029.00	14.99%	

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 6 (Six) 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 Sunil Kumar Khatua, 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 Rs.14,829.00 in the tender process. The details of amount is furnished below.

Bill Payment made		Amount due for payment		Remarks
Work value	2,97,164.00	Work value	2,97,164.00	
Less as per agreement (-) 10% less	(-) 29,716.00	Admissible less 14.99%	(-)44,545.00	
Net Payment	2,67,448.00	Net payment	2,52,619.00	

**Excess payment = Rs.2,67,448.00 – Rs.2,52,619.00 = Rs.14,829.00**

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.14,829.00 has been recovered vide M.R.No.7393 / 26.04.2018 from the Contractor Sri Sunil Kumar Khatua. Hence the para dropped.

**15.7 - Excess payment in work OSP P/57 to 59 -**

Name of the Work : Repair and Re-construction of Road from Main Road Pravat Raj house to RCM Office Gate in Ward No.12

Name of the Contractor : Sri Sunil Kumar Khatua, (S.C.),

Estt. Cost : Rs.2,88,000.00 Head A/c : 14<sup>th</sup> FCA (Basic)

Name of the J.E : Sri Dillip Kumar Swain, C/R No.16/2016-17

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

Vr.No.661 dtd.21.10.2017 M.B.No.109, Page : 01 to 06

Tender Bid Value : Rs.2,59,200.00 ( 10% Less)

**(1) 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 Sunil Kumar Khatua, (S.C)	2,59,200.00	10%	Awarded work order on Lottery basis
2.	Sri Gandharb Mallick, (S.C)	2,59,200.00	10%	
3.	Sri Sukanta Kumar Rout,	2,44,829.00	14.99%	
4.	Sri Rajanikanta Mishra,	2,44,829.00	14.99%	
5.	Sri Hiralal Sutar,	2,59,200.00	10%	
6.	Sri Subash Chandra Behera,	2,44,829.00	14.99%	
7.	Sri Pravat Kumar Sahoo,	2,44,829.00	14.99%	

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 7 (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 Sunil Kumar Khatua, 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 **Rs.14,361.00** in the tender process. The details of amount is furnished below.

Bill Payment made		Amount due for payment		Remarks
Work value	2,88,012.00	Work value	2,88,012.00	
Less as per agreement (-) 10% less	(-) 28,801.00	Admissible less 14.99%	(-)43,173.00	
Net Payment	2,59,200.00	Net payment	2,44,839.00	

**Excess payment = Rs.2,59,200.00 – Rs.2,44,839.00 = Rs.14,361.00**

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.14,361.00 has been recovered vide M.R.No.7394 / 26.04.2018 from the Contractor Sri Sunil Kumar Khatua. Hence the para dropped.

**15.8 - Excess payment in work OSP P/55 -**

Name of the Work : Repr. and Re-construction of Road from Gadha Samal House to Neheru Nagar Pond in ward no.3.

Name of the Contractor : Sri Pravat Kumar Sahoo,

Estt. Cost : Rs.8,37,800.00 Head A/c : Main. of Road & Bridges.

Name of the J.E : Sri Dillip Kumar Swain, C/R No.01/2016-17

*[Signature]*  
**Executive Officer**  
**N.A.C., BANKI**

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

Vr.No. 849 dtd.06.12.2016

M.B.No.102, Page : 108 to 117

Tender Bid Value : Rs.8,37,832 (14.99% Less)

**Excess payment due to inadmissible Items :-**

On checking of above Case Record with reference to connecting M.B., it was seen that the as per the agreement and estimate the following quantities of work were to be executed in the work.

Sl. No.	Description of work	Quantity	Rate	Amount	Remarks
1.	Laying of Crusher Dust in Road sub-base not exceeding 100mm thick and rolling with P.R.R.	93 cum	610.84	56,808.13	
2.	C.C. (1: 1 ½:3) work with 12mm bhcb chips including centring & shuttering	116.25 cum	6347.70	7,37,920.13	
3.	Laying and compacting stone aggregate to WBM specification. (Grade-II)	9.90 cum	2259.00	22,364.10	
4.	Spreading moorum on both sides of road berm.	69.75 cum	275.84	19,239.84	

The tender was opened on 28.08.2016 and agreement was signed on 03.09.2016 after the issue of work order and signing of agreement the revised estimate was prepared in which two new items were included as detailed below.

Sl. No.	Description of work	Quantity	Rate	Amount	Remarks
1.	Laying of Crusher Dust in Road sub-base not exceeding 100mm thick and rolling with P.R.R.	65.04 cum	610.84	39,729.00	
2.	C.C. (1: 1 ½:3) work with 12mm bhcb chips including centring & shuttering	81.31 cum	6347.70	5,16,131.39	
3.	Laying and compacting stone aggregate to WBM specification. (Grade-II)	65.04 cum	2259.00	1,46,925.36	
4.	Dismantalling and removing old road debris.	65.75 cum	278.76	18,328.47	
5.	Laying and compacting stone aggregate to WBM specification. (Grade-III)	48.78 cum	2307.35	1,12,552.53	

From above it could be seen that the dismantalling item and WBM Grade – III mantalling items were provided after the tender process and signing of agreement. No deviation statement has been approved by the competent authority against the two new supplementary items of the work. Further the measurement against the dismantalling work has been recorded in the M.B simultaneously with the other items of work such as sub-base work, WBM Grade- II & III mantalling , and C.C. (1:1 ½ :3) work. No Pre measurement work of dismantalling work has been recorded in the M.B. Therefore the cost of dismantalling amount to Rs.18,328.00 – (14.99%) Rs.2,747.00 = Rs.15,581.00 is not admissible in audit and needs recovery. Further due to non approval of deviation statement why the amount paid against the item WBM Grade – III work amount to Rs.1,12,553.00 – (14.99%) Rs.16,872.00 = Rs.95,671.00 shall not be treated as irregular was asked for clarification to audit.

In response to audit objection memo the local authority replied that :- **The approved deviation statement will be produced at the time of exit conference. The dismantalling item has been pre-measured and check measured which will be produced at time of exit conference.**

Therefore as per the reply the E.O. is suggested to produce the required documents at the time of exit conference for settlement of objection.

**At the time of exit conference :-** A sum of Rs.1,11,252.00 was kept under objection as per the Audit Report due to non approval of deviation statement and pre measurement of dismantalling items. At the time of exit conference the Executive Officer produced the pre measurement record of dismantalling items of the work and the approved deviation statement. Hence the para is dropped.

*25/9/18*  
**Executive Officer**  
**N.A.C., BANKI**

**15.9 - Excess payment in work OSP P/53 -**

Name of the Work : Constn.of Road and Drain from Narayan Dash House to A.R.Office. in Ward No.12.

Name of the Contractor : Sri Subash Chandra Behera,

Estt. Cost : Rs.6,61,156.00

Head A/c : RD Grant 2015-16.

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

C/R No.32/2015-16

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

Vr.No.603 dtd.06.10.2016

M.B.No.97, Page : 71 to 80

Tender Bid Value : Rs.5,62,049.00 (14.99% Less)

**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 the rate of cement crecrete (1: 1 ½: 3)work was provided @ Rs.6347.70 / cum which included the cost of centring & shurtering. However again vide item no.5 of the M.Bs page : 78 the item of rigid and smooth centering & shurtering was provided for 160 sq.mtr. area @ Rs.69.81 / sqm. @ Rs.14,369.60. As the centering rates has already been provided in C.C. (1: 1 ½: 3) work item the payment of Rs.14,369.60 or say Rs.14,370.00 can not admitted in audit and needs recovery.

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.14,370.00 has been recovered vide M.R.No.7387 / 24.04.2018 from the Contractor Sri Subash Chandra Behera. Hence the para dropped.

**15.10 - Excess payment in work OSP P/75 -**

Name of the Work : Repair and Re-construction of C.C. Road from Dambarudhar Samal house to Dharanidhar Nayak house in ward no.12.

Name of the Contractor : Sri Jiten Kumar Nayak,

Estt. Cost : Rs.4,34,000.00

Head A/c : M.V.T

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

C/R No.09/2016-17

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

Vr.No.779 dtd.17.11.2016

M.B.No.93, Page : 101 to 110

Tender Bid Value : Rs.3,69,182.00 (14.99% Less)

**(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 36.75 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 36.75 cum. But as per IRC specification for metalling of 36.75 cum, crusher dust @ 30% of quantity of Grade - II metal i.e. 11 cum 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 11 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 11 cum of crusher dust @ 628.06 / cum amounting to Rs.6,909.00 was not admissible and needs recovery.

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

*(Signature)*  
22/7/18  
**Executive Officer**  
**N.A.C., B.A.N.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.6,909.00 has been recovered vide M.R.No.7381 / 23.04.2018 from the Contractor Sri Jiten Kumar Nayak. Hence the para dropped.

**15.11 - Excess payment in work OSP P/74 -**

Name of the Work : Repair and Re-construction of moorm metal road from Pratap Behera House to Jagannatha Panda, Tota, in w.No.5.

Name of the Contractor : Sri Hiralal Sutar,

Estt. Cost : Rs.99,300.00

Head A/c : 13<sup>th</sup> FCA (BABG)

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

C/R No.12/2015-16

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

Vr.No.81 dtd.19.04.2016

M.B.No.94, Page : 72 to 78

Tender Bid Value : Rs.99,300.00

**Excess payment due to allowing inadmissible spreading cost of Moorum :-**

On checking of above Case Record with reference to connecting M.B., it was seen that in the above work 28.80 cum of metalling to WBM specification has been executed in the road sub base below which the sub base of moorum not exceeding 100 mm was executed for 86.40 cum. But as per IRC specification for metalling of 80.64 cum, moorum @ 30% of quantity of metal i.e. 80.64 cum is required for its consolidation. But in the work bill no provision of moorum for consolidation was provided. As such it is construed that 80.64 cum of moorum has been utilized in the metalling work against which spreading rate has been allowed. Thus the cost spreading of 80.64 cum of moorum @ 161.33 / cum amounting to Rs.1,394.00 was not admissible and needs recovery.

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.1,394.00 has been recovered vide M.R.No.7382 / 23.04.2018 from the Contractor Sri Hiralal Sutar. Hence the para dropped.

**15.12 - Excess payment in work OSP P/73 -**

Name of the Work : Constn.of Metal Moorum Road from Thana end to Post Mortem house in w.no.8.

Name of the Contractor : Sri Hiralal Sutar,

Estt. Cost : Rs.95,800.00

Head A/c : 13<sup>th</sup> FCA (R&B)

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

C/R No.17/2015-16

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

Vr.No.75 dtd.19.04.2016

M.B.No.107, Page : 10 to 16

Tender Bid Value : Rs.95,800.00

**Excess payment due to allowing inadmissible spreading cost of Moorum :-**

On checking of above Case Record with reference to connecting M.B., it was seen that in the above work 28.80 cum of metalling to

WBM specification has been executed in the road sub base below which the sub base of moorum not exceeding 100 mm was executed for 86.40 cum. But as per IRC specification for metalling of 80.64 cum, moorum @ 30% of quantity of metal i.e. 80.64 cum is required for its consolidation. But in the work bill no provision of moorum for consolidation was provided. As such it is construed that 80.64 cum of moorum has been utilized in the metalling work against which spreading rate has been allowed. Thus the cost spreading of 80.64 cum of moorum @ 161.33 / cum amounting to Rs.1,394.00 was not admissible and needs recovery.

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.1,394.00 has been recovered vide M.R.No.7383 / 23.04.2018 from the Contractor Sri Hiralal Sutar. Hence the para dropped.

**15.13 - Excess payment in work OSP P/72 -**

Name of the Work : Constn.of Earth &Metal Moorum Road from Pradeep Sahoo house to Ajaya Panda house in w.n.9.

Name of the Contractor : Sri Ashok Kumar Patnaik,

Estt. Cost : Rs.92,000.00

Head A/c : 13<sup>th</sup> FCA (GABG)

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

C/R No.20/2015-16

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

Vr.No.77 dtd.19.04.2016

M.B.No.94, Page : 57 to 64

Tender Bid Value : Rs.92,000.00

**Excess payment due to allowing inadmissible spreading cost of Moorum :-**

On checking of above Case Record with reference to connecting M.B., it was seen that in the above work 14.40 cum of metalling to WBM specification has been executed in the road sub base below which the sub base of moorum not exceeding 100 mm was executed for 28.80 cum. But as per IRC specification for metalling of 4.00 cum, moorum @ 30% of quantity of metal i.e. 4.00 cum is required for its consolidation. However against the total requirement of 32.80 cum of moorum (28.80 for sub base + 4.00 cum for consolidation of metal) a total quantity of 57.60 cum moorum quantity has been collected and paid in the bill @ Rs.371.59 / cum. As such 57.60 cum - 32.80 cum = 24.80 cum of moorum has been excess collection amount paid in the bill. Therefore the cost of 24.80 cum of moorum @ Rs.371.59 / cum amounting to Rs.9,215.00 was paid in excess which needs recovery.

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.9,215.00 has been recovered vide M.R.No.7385, 7386, 7388 / 24.04.2018 from the Contractor Sri Ashok Kumar Patnaik. Hence the para dropped.

**15.14 - Excess payment in work OSP P/76 -**

Name of the Work : Constn.of C.C drain FROM Subash Behera House to Purusotam Mohapatra house in w.No.9

Name of the Contractor : Sri Rajanikanta Mishra,

Estt. Cost : Rs.4,87,300.00

Head A/c : 13<sup>th</sup> FCA (GABG)

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

C/R No.20/2015-16

*[Signature]*  
23/7/18  
**Executive Officer**  
**N.A.C., BANKI**

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

Vr.No.1013 dtd.02.03.2017

M.B.No.98, Page : 114 to 127

Tender Bid Value : Rs.4,14,386.00

**Excess payment due to allowing cost of centring & shuttering :-**

On checking of above Case Record with reference to connecting M.B., it was noticed that as per the agreement the rate of C.C. (1:1 ½ :3) work included cost of centring & shuttering @ Rs.6,347.70/ cum. But it was seen that extra Centring & shuttering work cost has been paid for 46.23 cum @ 89.81 / cum amount to Rs.4,152.00, which was not admissible and needs recovery.

In response to audit objection memo the local authority replied that :- **The excess amount would be recovered from the contractor and credit compliance would be shown at the time exit conference.**

Therefore as per the reply the stated amount may be recovered and compliance reported to audit.

At the time of exit conference a sum of Rs.4,152.00 has been recovered vide M.R.No.7384 / 23.04.2018 from the Contractor Sri Rajanikanta Mishra. Hence the para dropped.

**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 this NAC.

**PARA: 17 AUDIT ON SCHEMES / PROGRAMMES**

**17.1 - Target and Achievement figures -**

Target and Achievement figures of Different schemes for the year 2016-17 :

The target and achievement figures of different schemes for the year 2016-17 provided to audit by the local authority is furnished below.

**Physical & Financial Achievement of Works for 2016-17 :**

Financial Achievement							Physical Achievement					
Name of Scheme	OB as on 01.04.15	Fund received during the year 2015-16	Total	Expenditure	Unspent Balance at the end of Year 31.03.16	%	No of spill over projects from previous year	No of Projects plan for current year as per annual action plan	TOTAL	No of Projects completed during the year	No of spill over projects to the next year	% of Achievement
Devolution of Fund	3978267.00	4840000.00	8818267.00	1989147.00	6829120.00	22.55%	15	15	30	7	23	23.33%
13th/14th FCA	3732750.00	6800000.00	10532750.00	3610077.00	6922673.00	34.27%	9	12	21	7	14	33.33%
Road Developme	2057465.00	0.00	2057465.00	2057465.00	0.00	100%	6	0	6	6	0	100%

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

ht												
Roads & Bridges/NR B	0.00	2007000.00	2007000.00	1095793.00	911207.00	54.60%	0	10	10	6	4	60%
CC Road /UAC	1956103.00	960000.00	2916103.00	1466888.00	1449215.00	50.30%	5	4	9	6	3	66.66%
Motor Vehicle Tax	466340.00	1294000.00	1760340.00	767662.00	992678.00	43.60%	20	15	35	15	20	42.85
MPLAD	855166.00	525000.00	1380166.00	1044729.00	335437.00	75.69%	7	2	9	8	1	88.88%
MLA LAD	1372832.00	1100000.00	2472832.00	985404.00	1487428.00	39.84%	25	11	36	13	23	36.11%
<b>Total :</b>	<b>14418923.00</b>	<b>17526000.00</b>	<b>31944923.00</b>	<b>13017165.00</b>	<b>18927758.00</b>	<b>40.75%</b>	<b>87</b>	<b>69</b>	<b>156</b>	<b>68</b>	<b>88</b>	<b>43.59%</b>

During exit conference the irregularities relating to implementation of MP LAD scheme and SJSRY (OULM) Scheme was discussed and the Executive Officer assured to adhere to the scheme guidelines in future works.

#### 17.2 -Scheme MP LAD -

##### 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. But it is seen that a single project named completion of within the estimated cost of Rs was taken up during but completed after lapses of more than two year contravening above guideline.

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.

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 - Scheme SJSRY -

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

**Implementation of SJSRY scheme :-**

**Swarna Jayanti Shahari Rozgar Yojana(SJSRY)** is a centrally sponsored scheme which came into effect on 1 December 1997. The scheme strives to provide gainful employment to the urban unemployed and underemployed poor, through encouraging the setting up of self-employment ventures by the urban poor living below the poverty line. The scheme was launched replacing three existing schemes, such as, Nehru Rozgar Yojana (NRY), Urban Basic Services for the Poor (UBSP), and Prime Minister's Integrated Urban Poverty Eradication Programme (PMI UPEP) Revamped in 2009. SJSRY has five components: (a) the Urban Self-Employment Programme (USEP), which targets individual urban poor for setting up micro enterprises; (b) the Urban Women Self-Help Programme (UWSP), which targets urban poor women Self Help Groups (SHGs) for setting up group enterprises and providing them assistance through a revolving fund for thrift and credit activities; (c) Skill Training for Employment Promotion amongst Urban Poor (STEP-UP), which targets the urban poor for imparting quality training so as to enhance their employability for self-employment or better salaried employment; (d) the Urban Wage Employment Programme (UWEP), which seeks to assist the urban poor by utilizing their labour for construction of socially useful assets, in towns with less than 5 lakh population as per the 1991 Census; and (e) the Urban Community Development Network (UCDN), which seeks to assist the urban poor in organizing themselves into self managed community structures to gain collective strength to address the issues of poverty facing them and to participate in the effective implementation of urban poverty alleviation and social development programmes. The SJSRY scheme is being implemented on a cost-sharing basis between the Centre and the States in the ratio of 75:25.

The SJSRY scheme during the financial year 2016-17 is replaced by OULM scheme (Odisha Urban Livelihood Mission) without much change in structural guidelines of SJSRY. During the financial year 2016-17 NAC has organised three training programmes under OULM for imparting necessary skill training to Urban Poor for their self employment or to generate sustainable income source. The three training programmes organised are 1) Driving Training, 2) Garment construction technique and ICT Computer training.

**Driving Training :-**

Under this training programme 40 candidate ed to be imparted training under category – A with the approved course fee @ Rs.11,625.00 per trainee with materials cost @ Rs.500.00 each under the ed STP, IEDC, Cuttack, ed by Addl. Director, State Urban Development Agency, H & UD Department, Bhubaneswar. As per Clause No.41, the training agreement with the Director, IEDC, Cuttack and Addl. Director, SUDA, Bhubaneswar, after 15 days of commencement of training 30% of the 1<sup>st</sup> Instalments should have been paid on submission of Invoice by the IEDC after completion of training and certification of candidates, the 2<sup>nd</sup> instalments i.e. 50% of the contract value. The last instalments i.e. 20% of the contract value should have been paid to IEDC, Cuttack after 50% mandatory placement or self employment of the trainees.

However the training firm i.e. STP – IEDC, Cuttack was paid in the following amounts towards conduct of training programme.

1 <sup>st</sup> Instalment	-	Vr.No.1462/30.03.2016	Rs.1,41,900.00
Tool kit –		Vr.No.263/28.06.2016	Rs.20,000.00
2 <sup>nd</sup> Instalment	-	Vr.No.758/03.11.2016	Rs.2,30,587.00
Total :			Rs.3,92,487.00

The training was conducted from 30.12.2015 to 07.05.2016 and the certification was completed for 39 pass out trainees was on 01.06.2016. From the above payment modalities it is seen that the request of payment towards Tool kit cost was not placed by IEDC, Cuttack at the stipulated time. This indicated that the quality of training was not satisfactory. Also due to lack of mandatory 50% placement of the trainees the last instalment was not requested by the STP concerned. Thus in the above view the training purpose on under OULM was defeated. Therefore the expenditure was wasteful.

**PARA: 18 MISCELLANEOUS**

**18.1 - Audit of paragraphs pending for settlement-**

**Lack of response/compliance to last and previous Audit Reports :-**

The details of outstanding para of last and previous Audit Reports of last year which is awaiting for settlement due to non submission of compliance report is given below.

The Audit paragraph pending for settlement is furnished below :-

*(Signature)*  
22/2/18  
**Executive Officer**  
**N.A.C., BANKI**

**AUDIT REPORT**

25-06-2018

Sl. No.	Audit Report No. with year of Accounts	Paragraph pending for settlement relating to misappropriation of cash and loss of stock and stores.		Paragraph pending for settlement other than misappropriation and defalcation.		TOTAL	
		No. of Paragraphs	Amount	No. of paragraphs	Amount	No. of paragraphs	Amount.
01.	02.	03.	04.	05.	06.	07.	08.
1.		0	0.00	29	1,04,99,853.36	29	1,04,99,853.36
2.	17453/ AR/ 2015-16/ Cuttack	0	0.00	11	85,80,675.00	11	85,80,675.00
2.	80731/ AR/ 14.15/ Cuttack	0	0.00	13	16,65,464.00	13	16,65,464.00
3.		0	0.00	53	2,07,45,992.36	53	2,07,45,992.36
	Total :	0	0.00				

It can be seen from the above table that a huge amount of Rs.2,07,45,992.36 is pending for settlement relating to misappropriation of cash and loss of stock and stores and other than misappropriation and defalcation. It is a great loss to the N.A.C. Hence the local authority is suggested to take urgent and drastic steps towards the settlement of the above pending paras and compliance reported to the D.A.O., L.F.A., Cuttack.

As per the Audit Report the two old reports relating to financial year 2013-14 and 2014-15 containing 53 outstanding paras involving money value Rs.2,07,45,992.36 are pending for settlement. At the time of exit conference Executive Officer assured to take appropriate steps for submission of compliances against all outstanding audit paras of previous A/Rs.

**18.2 - Complaints / Grievance Redressal System -**

The position of Complaints / Grievance received and disposed of during the year 2016-17 is furnished below as per complaints register of the Municipality.

Sl.No.	Particulars based on Complaint / Grievance Register.	No. of complaints
1.	Complaints pending for disposal at the beginning of the year.	00
2.	Complaints received during the year.	12
3.	TOTAL	12
4.	Complaints disposed of during the year.	12
5.	Complaints pending for disposal at the end of the year.	00

**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 - Position of SOAP/MBPY/ODP/IGNOAP**

The Position of SOAP/MBPY/ODP/NOAP for the year 2016-17 is furnished below.

The position of Pension of the retired persons			
Sl.No.	Particulars	Amount	Remarks
1.	Opening Balance as on 01-04-16	39,98,900.00	

*[Signature]*  
22/12/18  
**Executive Officer**  
**N.A.C., BANKI**

2.	Receipt during the year	83,18,800.00	
3.	Total :	1,23,17,700.00	
4.	Payment during the year	70,58,000.00	
5.	Closing Balance as on 31-03-17	52,59,700.00	

The category wise target, existing position and vacancies in respect of Old Age Pension holder of NAC for the year 2016-17 is furnished below.

Sl.No.	Category	Sanction Strength	Existing strength	Vacancy
1.	IGNOAP	560	516	44
2.	IGNWP	299	271	28
3.	INGDP	71	53	18
4.	MBPY	1027	1020	07

The Executive Office was suggested to fillup the vacancies considering the eligible criteria of the concerned scheme.

#### 18.5 - Vehicle Position -

The position of vehicle owned and utilized by the NAC is furnished below.

Sl.No.	Type of vehicle	Regr. No.	Assigned work	Name of the Driver	Condition of the vehicle.
1.	Tractor with trailer (Mahindra 575 )	OR-05-AC/4930	Sanitation work	Suresh Chandra Mantry.	Running
2.	-do- (Mahindra 265)	OR-05AJ/ 8673	-do-	Pradeep Behera.	Running
3.	Tractor (Mahindra 265)	OD-05B/ 7128	Water Tanker	Srinibash Behera.	Running
4.	Tractor with trailer (Mahindra Small 215 DI)	OD-05B/ 7124	Sanitation work	Suresh Chandra Mantry.	Running
5.	Tractor messy forgunson 265 DI	OR-05B/ 8615	Cess Pool	-do-	Running
6.	Tractor Small (Mahindra 215 DI)	OD-05B/ 7290	--	--	Not running
7.	TATA 407		Electric Ladder	Surendra Rout	Running
8.	Ambulance Maruti Van	OR-05A/ 6166	Ambulance	--	Damage

The Executive Officer was suggested to auction the damage and idle vehicles and compliance reported to audit.

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

##### 19.1 -

Rule-04 of Odisha Treasury Code, Vol-I read with Rule 4 of OGFR stipulate that all money received or realized on behalf of Govt. should be deposited in full into treasury or with competent authority .. Retention of Govt. money or revenue outside the treasury is irregular and not permissible. The details of position of Govt. dues during 16-17 is furnished below.

Particulars	Govt. Dues							TOTAL
	Royalty	VAT	Labour CESS	I.T	P. Tax	Service Tax	Education CESS	
Dues Outstanding for deposit at the beginning of the year. i.e. 01.04.2015	3,49,325.00	58,303.00	22,384.00	25,461.00	605.00	0	0	4,56,078.00

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

Amount Collected during the year 2015-16	3,93,954.00	7,15,409.00	1,55,988.00	231862.00	73850.00	0	0.00	15,71063.00
TOTAL	7,43,279.00	7,73,712.00	1,78,372.00	257323.00	74,455.00	0	0.00	20,27141.00
Amount Remitted during the year 2015-16	3,93,952	7,27,029.00	1,55,989.00	2,57,323.00	73850.00	0	0	16,08143.00
Balance to be remitted at the end of the year i.e. 31.03.2016	3,49,327.00	46,683.00	22,383.00	0.00	605.00	0.00	.00	4 18998.00

From the above, it would be seen that as on 31.03.2017 , a sum of Rs.4,18,998.00 has been outstanding for deposit towards Govt. dues such as Royalty, VAT, CESS and P.Tax 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 ..

#### 19.2 - Loan -

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 31-03-17 is furnished below:-

Sl.No.	Particulars	Amount	Remarks
1.	Opening Balance of loan as on 01-04-16	11,48,328.00	
2.	Loan Receipt during the year	0.00	
3.	Total :	11,48,328.00	
4.	Loan repaid during the year	0.00	
5.	Closing Balance of loan as on 31-03-17	11,48,328.00	

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

As per the Audit Report a sum of Rs.11,48,328.00 has been outstanding as on 31.03.2017 against the NAC towards appropriation of IDSMT Loan without any repayment. At the time of exit conference Executive Officer expressed that such loan has already been adjusted from the Octroi Compensation Grants at Govt. Level. However the Executive Officer is suggested to ensure maintenance of the loan ledger with upto date entries and produce the same to next audit for settlement of this para.

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**19.3 - Deposits -**

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 2015-17 is furnished below.

Sl. No.	Particulars	Amount	Remarks
1.	Deposits at the beginning of the year as on 01.04.2016	1,38,897.00	
2.	Deposits Received during the year 2016-17	8,45,596.00	
3.	TOTAL	9,84,493.00	
4.	Deposits refunded during the year 2016-17	8,90,551.00	
5.	Balance of Deposit at the end of the year i.e. as on 31.03.2017	93,942.00	

**Non Maintenance of Deposit Ledger and outstanding deposits:-**

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 -**

In accordance with Rule 436 of O.M. Rules, 1953 every council shall maintain and administer a provident Fund.

As per Rule 442 of O.M. Rules, 1953 a provident fund ledger in Form No. P.F 5 is to be kept in the Municipal Office.

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 Rules 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 449 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 Account.

No CPF ledger / EPF Cash Book has not been maintained by the Municipality since inception as required under Rules 436 of O.M. Rules, 1953. The C.P.F position of staff for the financial year 2016-17 has been prepared as per acquittance rolls and respective Bank Pass Books of Staff. The details are furnished below :

The CPF / EPF position of the Municipality for the year 2016-17 is furnished below :

Particulars	Position of C.P.F. Account	Position of E.P.F Account	Remarks.
O.B. as on 01.04.2015	58,484.00	0.00	
Amount deducted during the year	8,39,248.00	4,75,993.00	

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2015-16			
TOTAL	8,97,932.00	4,75,993.00	
Amount Deposited during the year 2015-16	839248.00	4,75,993.00	
Balance to be deposited as on 31.03.2016	58484.00	0.00	

The E.O is suggested to deposit the balance CPF amount of Rs 58484.00 rolling since long and shown to next audit.

**PARA: 20 RESULT OF AUDIT**

**20.1 - GENERAL REMARKS**

**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

**Recommendation:-**

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

- Collection of long outstanding taxes and other dues through special drive.
- Enforcement of provision led u/s 161, 162, 163 and 201 of the Odisha Municipal Act.

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- 3) Survey of new holdings by collecting datas 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.

**Result Of Audit**

SI No	Name Of The Paragraph	Amount suggested for recovery(In Rs:)	Amount kept on objection(In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	8.1	46500.00	46500.00	46500.00	0.00	0.00	
2	9.1	0.00	20640091.00	0.00	0.00	0.00	
3	13.4	105875.00	105875.00	105875.00	0.00	0.00	
4	13.8	53175.00	53175.00	53175.00	0.00	0.00	
5	13.10	53500.00	53500.00	53500.00	0.00	0.00	
6	14.3	0.00	1499950.00	0.00	0.00	0.00	
<b>Total</b>		<b>259050.00</b>	<b>22399091.00</b>	<b>259050.00</b>	<b>0.00</b>	<b>0.00</b>	

**Audit Certificate**

Certified that the accounts of Banki N.A.C. for the financial year 2016-2017 have been covered under audit and found correct subject to the comments / remarks offered in the foregoing paragraphs.

**Spot Recovery**

SI No	Ref Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	15.13, 72	7386	2018-04-29	15	Sri Ashok Kumar Pattnaik, Contractor
2	15.13, 72	7386	2018-04-29	4600	Sri Ashok Kumar Pattnaik, Contractor
3	15.13, 72	7385	2018-04-29	4600	Sri Ashok Kumar Pattnaik, Contractor
4	15.12, 73	7383	2018-04-23	1394	Sri Hiralal Sutar, Contractor
5	15.11, 74	7382	2018-04-23	1394	Sri Hiralal Sutar, Contractor
6	15.10, 75	7381	2018-04-23	6909	Sri Jiten Kumar Nayak, Contractor
7	15.9, 53	7387	2018-04-24	14370	Sri Subash Chandra Behera, Contractor
8	15.7, 59	7394	2018-04-26	14361	Sri Sunil Kumar Khatua, Contractor
9	15.6, 60	7393	2018-04-26	14829	Sri Sunil Kumar Khatua, Contractor
10	15.5, 62	7390	2018-04-26	32295	Sri Hiralal Sutar, Contractor
11	15.4, 64	7392	2018-04-26	18717	Sri Sunil Kumar Khatua, Contractor
12	15.3, 66	7389	2018-04-26	47511	Sri Gandharba Mallick, Contractor
13	11.7, 45	7359	2018-03-29	3000	Sri Prafulla Kumar Pati, T.C.

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14	11.7, 45	7362	2018-03-29	400	Sri Manoranjan Rout, T.C.
15	11.7, 45	7363	2018-03-29	300	Sri Rama Chandra Mangual, T.C.
16	15.2, 68	7391	2018-04-26	22863	Sri Sunil Kumar Khatua, Contractor
17	11.7, 45	7358	2018-03-29	1100	Sri Narayan Mohapatra, T.C.
18	11.6, 42	7357	2018-03-29	2848	Sri Gagan Bihari Palaur
19	11.5, 41	7368	2018-03-29	518	Sri Pramod Kumar Barik, J.C.
20	11.4, 40	7361	2018-03-29	300	Sri Narayan Mohapatra, T.C.
21	11.3, 39	7364	2018-03-29	2320	Sri Pitambar Nayak, T.C.
22	11.2, 37	7360	2018-03-29	440	Sri Prafulla Kumar Pati, T.C.
23	11.1, 36	7366	2018-03-29	256	Sri Prafulla Kumar Pati, T.C.
24	15.14, 76	7384	2018-04-23	4152	Sri Rajanikanta Mishra, Contractor
				<b>Total</b>	<b>199492</b>

*23/7/18*  
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