

LOCAL FUND AUDIT, DHENKANAL, ODISHA

CATEGORY : N A C,General

Audit Report No : 385107/AR/2018-2019-DHENKANAL

PARA: 1 TITLE SHEET

1	Name of the Institution :	Bhuban NAC
2	Year of Accounts under Audit :	2017-2018
3	Name of the Local Authority during the year of A/Cs :	JAMINI KANTA SWAIN,EO,
	Name of the Local Authority at the time of Audit :	JAMINI KANTA SWAIN,EO
4	Duration of Audit :	01-05-2018 To 12-06-2018 (Mandays Consumed :- 26)
5	Name of the Auditors :	B B MOHAPATRA - Lead Auditor(01-05-2018 to 12-06-2018) SRI PRAVAT KUMAR SAHOO - Auditor(01-05-2018 to 12-06-2018)
6	Name of the Reviewing Officer :	BHRAMARABAR HOTA(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	24-07-2018
8	Entry Conference Date :	
9	Exit Conference Date :	06-09-2018
10	Name of the District Audit Officer :	ANAMA CHARAN ROUT
11	Date of approval of report by District Audit Officer :	23-10-2018

PARA: 2 PHYSICAL VERIFICATION

S/no	Items	Date Of Physical verification Before / After Transaction	Physical Balance	Balance As per Cash Book / Stock Register	Reference To The Page No Of Cash Book / Stock Register	Discrepancies If Any
1	Cash in hand	2.5.2018	0	0	0	0
2	Measurement Books	2.5.2018	0	0	SRP-1	
3	ServicePostage Stamps	2.5.2018	Not Produced			
4	Miscellaneous Receipt Books	2.5.2018	1	1	SRP-7	
5	Others					
6						

Comments

As per Rule 20 (a) of Odisha Local Fund Audit Rules, 1951 the local authority was asked vide POM No.1/ Pg-1 Dt.2.5.2018 before commencement of audit to produce the cash balances, the securities held by a local authority, the postage stamps and also the stock of saleable forms, unspent balance of permanent advance, MB books, MR books for verification and the result of verification has been recorded in the relevant books of account as given in the table above. Physical verification of cash could not be conducted at the commencement of audit as no cash balance was produced before audit by the local authority irrespective of non-up-to-dation of cash book as on 2-5-2018. During physical verification the local authority could not produce the Stamp account book, issue and despatch register to audit. Hence it could not be recorded.

At the time of Exit conference the Local Authority agreed to give attention on production of up to dated Cash Books at the time of physical verification to the next audit

PARA: 3 LIST OF VERIFIED RECORDS

A : List Of Verified Records/Register

Sino	List Records/Register	Rules	Form No
1	Measurement Book	Rule 365	Form W-VIII
2	Stock account of Receipt Forms	Rule 196	Form L
3	Tax collector's daily collection register	Rule 192	Form K
4	Register of Grants	Rule 80	Form No. XLII
5	Daily Collection Register	Rule 171	Form No. XL
6	Miscellaneous Receipts	Rule 157	Form No. XXXIV
7	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
8	Advance Ledger	Rule 136	Form No. XVIII
9	Abstract Register of Expenditure	Rule 129	Form No. XVI
10	Abstract Register of Receipts	Rule 129	Form No. XV
11	Cash Book of the municipality	Rule 125	Form No. XIV
12	Salary Bills	Rule 97	Form No. IX
13	Register of Bills	Rule 96	Form No. VII
14	Subsidiary Cash Book	Rule 128 A	Form No. V-A
15	Cashier's Cash Book	Rule 81	Form No. V

B : List of Records/Registers not Maintained

Sino	List Records/Register	Rules	Form No
1	Miscellaneous Supply Bill	Rule 343	Form W-V
2	Register of Works	Rule 345	Form W-VI
3	Stock & Store Register of Municipality	Rule 346	Form W-VII
4	Contract Agreement Form	Rule 341	Form W-III
5	Contract Certificate	Rule 343	Form W-IV
6	Register of Estimates & Allotments	Rule 332	Form W-I
7	Nominal Muster Roll (NMR)	Rule 340	Form W-II
8	Warrant register	Rule 202	Form R
9	Register of Distrainted property & sales	Rule 204	Form S
10	Form of inventory & Notice	Rule 203	Form Q
11	Distraint Warrant Register	Rule 202	Form P
12	Progress statement of collection of taxes	Rule 200	Form N
13	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
14	Tax collector's Ledger	Rule 198	Form M
15	Register of writes off of demands	Rule 190	Form J
16	Arrear Demand Register	Rule 187	Form H
17	Tax Receipt Form	Rule 188	Form I
18	Register of Petitions	Rule 183	Form F
19	Mutation Register	Rule 184	Form G
20	Demand and Collection Register	Rule 178	Form B
21	Form of appeal petition	Rule 183	Form E
22	Assessment List	Rule 177	Form A
23	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
24	Stamp Account	Rule 172	Form No. XLIV
25	Stock Register of Stationery	Rule 172	Form No. XLIV
26	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
27	Register of Interest Bearing Securities	Rule 147	Form No. XLI
28	Arrear List	Rule 170	Form No. XXXIX
29	Jamabandi Register	Rule 170	Form No. XXXVII
30	Ledger of Lessees	Rule 170	Form No. XXXVIII
31	Register of Lands	Rule 160	Form No. XXXV
32	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
33	Stock account of License Number	Rule 155	Form No. XXXII

	Plates		
34	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
35	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
36	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
37	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
38	Loan Register	Rule 149	Form No. XXVII
39	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
40	Establishment Audit Register	Rule 146	Form No. XXV
41	Register of Investments	Rule 148	Form No. XXVI
42	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
43	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
44	Deposit Ledger	Rule 142	Form No. XX
45	Register of outstanding deposits	Rule 143	Form No. XXI
46	Register of Outstanding Advances	Rule 140	Form No. XIX
47	Register of adjustments	Rule 132	Form No. XVII
48	Permanent Advance Account	Rule 108	Form No. XII
49	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
50	Absentee Statement	Rule 97	Form No. X
51	Periodical Increment Certificate	Rule 99	Form No. XI
52	Order Book	Rule 96	Form No. VIII
53	Challan	Rule 87	Form No. VI
54	Subsidiary account of special taxes	Rule 79	Form No.-IV
55	Schedule for the Budget Estimate	Rule 77	Form No. III
56	Budget Estimate	Rule 74	Form No. I
57	Abstract of the Budget Estimate	Rule 74	Form No. I-A

C : List of Records/Registers not Produced to Audit

S/no	List Records/Register	Rules	Form No
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D : List of Records/Registers not Required

S/no	List Records/Register	Rules	Form No
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Comments

Comments

3.1. NON MAINTENANCE OF DOUBLE ENTRY ACCRUAL BASED ACCOUNTING SYSTEM (DEABAS) AS PER ODISHA MUNICIPAL (ACCOUNTS) RULES -2012 .

The State Govt. decided to introduce the 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 Municipality / NACs to maintain their books of account on accrual basis under the double entry system of bookkeeping and data based formats. As per the directive of Govt. in H&UD Deptt (O) issued vide Letter No-24970 /HUD,BBSR Dtd 7.8.2013 and Odisha Municipal (Accounts) Rules 2012, it was claimed that the cash book shall be maintained in Double Entry Accrual Based Accounting System (DEABAS) with effect from October 2013. But on verification, it was found that the cash book was not maintained as per DEABAS format in Bhuban NAC as on 31.3.2018, even after suggestion and objection imparted by the last audit. As such the audit on the accounts of Bhuban NAC was conducted on Manual cash book. Due to non-maintenance of cash book in DEABAS as per Odisha Municipal Rule-2012 the very purpose of the above directive of the Govt. was defeated by the NAC .

Hence the Executive Officer was once again advised to ensure early maintenance of the above accounting system as prescribed by the Govt before next round of audit and compliance reported to audit

3.2. Non-Maintenance of Prescribed documents, Registers etc for 2017-18.

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

i)Register of Outstanding Advances

ii) Deposit Ledger

iii) Investment Register iv) Loan Register

iv) Register of un-disbursed Pay & Allowances vi) Assets Register.

v) Surcharge Register & Audit check register.

Apart from the above following irregularities of activities in preparation of accounts and registers were noticed.

- 1) Expenditure on office establishment and general administration was not restricted to 5% of the income of the NAC as required under Rule 174 of OM Rulle-1953.
- 2) Half yearly Physical verification of Stock & Stores have not been conducted as required under Rule 346 of OM Rules 1953 , which should be conducted at a regular intervals of 6 months.
- 3) DCB Register of taxes both arrear & Current have not been maintained properly since long.
- 4) Reconciliation of accounts figures with collection figures of DCB was not done as required under Rules 199 to 201 of OM Rules 1953.
- 5) Demand List of License fees as required under section 290 of the Odisha Municipality Act 1950 were not prepared before the beginning of the year
- 6) Arrear demands were not checked by the E.O as required under Rule 187 of OM Rules 1953.
- 7) Annual accounts of receipts & expenditure as required under Rule 144 & 145 of OM Rule has not been maintained.

In response to Audit objection memo issued on the above score the Executive Officer replied that steps are being taken to follow the audit instructions which are felt traditional in view of the last and previous Audit Reports. In view of the reply of the local authority the attention of the competent higher authorities are hereby drawn in the matter to ensure proper maintenance of the above said records / registers as recommended by audit.

During Exit conference the Local Authority has been convinced on the significance of the non-produced/non-maintained registers and agreed to maintain hence forth.

PARA: 4 FINANCIAL POSITION

Bhuban NAC - 2017-2018

S/no	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:)	Closing Balance as per (DD MM YYYY) Cash Book	Closing Balance(In Rs:)(CASH BOOK)	Difference (In Rs:)	Remarks
1	Accountant	01-04-2017	8297280 6.00	86082572. 00	16905537 8.00	81733722. 85	31-03-2018	8732165 5.15	31-03-2018	8732165 5.37	-0.22	
	GRAND TOTAL		8297280 6.00	86082572. 00	16905537 8.00	81733722. 85		8732165 5.15		8732165 5.37	-0.22	

Comments

DETAILS OF CLOSING BALANCE AS ON 31.3.2018	
P.L. ACCOUNT NO 8448(Treasury)	33520941.65
IN BANK	53800713.72
IN CASH	00
TOTAL	87321655.37

The difference of Rs.0.22 in between cash book and audit CB is persisted in the last audit report which is yet to be reconciled by the Local authority. The Local authority is advised to reconcile the same under intimation to audit.

PARA - 4.1- ANNUAL BUDGET

As per rule- 76 of Odisha Municipal Rules- 1953 the Annual Budget Estimate of the NAC for 2017-18 was placed before the council and after due approval of same by the council it was sent to Government in H & UD Department through the District Magistrate for approval vide the Office Letter No.863/dtd.21.7.2017. The Annual Budget Estimate approved by the H & UD Department and communicated to the executive officer Bhuban NAC vide letter no. 19461 dt. 24.8.2017.

The details of budgetary provision in respect of receipt, & expenditure has been furnished below along with figures of actual receipt and expenditure for a comparative study.

RECEIPT				
Sl.No.	Head of Account	As per budget Provision	As per Actual	Difference
1	Rate & Taxes	1495000.00	392257.00	1102743.00
2	Licence and Other fees	599150.00	88210.00	510940.00
3	Revenue Derived from Municipal Properties and power Apart from Taxation	4755000.00	388767.00	4366233.00
4	Grants & Contributions for General & Special Purpose	133292250.00	72447850.00	60844400.00
5	Miscellaneous	1151150.00	10050626.00	-8899476.00
6	Extra Ordinary & debts	5100000.00	2714862.00	2385138.00
	Total	146392550.00	86082572.00	60309978.00
EXPENDITURE				
1	General Administration & Collection Charges	12602390.00	8422121.00	4180269.00

2	Public Safety	16353000.00	3721547.00	12631453.00
3	PH & Sanitation	23759000.00	6534336.00	17224664.00
4	Public Conveyance & works	68724000.00	52270662.00	16453338.00
5	Public Institutions	575000.00	0.00	575000.00
6	Miscellaneous	15783750.00	9887556.85	5896193.15
7	Extra Ordinary & debts	5520000.00	897500.00	4622500.00
	Total	143317140.00	81733722.85	61583417.15

It would be revealed from the above comparative statements that there is huge difference between the budgetary estimate and actual position, As such the budget estimate of the NAC cannot be said a realistic one. In keen sense of observations of the aforesaid variations occurred between the figures of Annual Accounts & Budget Estimate of the NAC it would be revealed that the amounting figures of the budget estimates was actually not determined basing upon the actual amounts of receipts and expenditure incorporated in the Annual accounts of preceding year as well as current year up to months of September-2017. In query it was intimated that the annual accounts of the NAC was not prepared properly due to lack of maintenance of cash book in time.

It is worthwhile to mention here that such un-realistic budget estimate can't help to fulfil the coverage of financial policies adopted by the local authority during a financial year. Since budget is considered as an instrument, which insists the authority of an organization for management of financial administrations elaborately, sincere efforts should therefore be taken by the NAC Authority to prepare a more realistic and streamlined budget. Hence the local authority is advised to take the tangible steps henceforth to prepare more realistic and streamlined budget for the coming years in order to achieve better result from the financial strategies adopted therein.

PARA-4.2 ASSETS & LIABILITIES.

The detailed position of Liquidated Assets and Liabilities of the N.A.C at the end of financial year 2017-18 as on 31.03.2018 is furnished below

LIABILITIES		ASSETS	
Unspent Balance of Govt. Grants & other govt. funds	72611989.00	Cash lying in Treasury and Banks.	87321655.37
Deposits refundable to the Contractors	2264379.00	Advance Outstanding	423425.00
Salary payable including EPF	379468.00	Outstanding Taxes, rents and rates etc recoverable	1704211.95
Unremitted Govt. dues(VAT,Cess,Royalty,I.T. etc.)	-12730.00		
Loans Payable	935225.50		
Arr.Energy charges of street light payable	5190300.00		
Arr. Water charges payable.	1942501.00		
Matching contribution on grants to be utilized	2684101.90		
Asset over Liabilities	8644357.92		
TOTAL	89449292.32		89449292.32

It would be seen from above position of Assets and Liabilities that the Assets of the NAC exceeds over the Liability to the tune of Rs. 8644357.92 as on 31.03.2018 . which gives clear idea that the financial position of the NAC is sound. Hence it is suggested to the NAC Authorities that all the possible steps may be taken to keep constant this financial stability of the NAC forever.

PARA-4.2 - ABSTRACT OF RECEIPT & EXPENDITURE.

The details of budgetary provision in respect of receipt, & expenditure has been furnished below .

STATEMENT 'B' SHOWING THE DETAILS OF RECEIPTS IN RESPECT OF BHUBAN NAC FOR 2016-17 & 17-18	
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SL.NO.	HEAD OF ACCOUNTS	RECEIPT DURING 2016-17	RECEIPT DURING 2017-18	Remarks
I	RENT AND TAXES			
1	Holding Tax	185837	231907	
2	Light Tax	69103	82041	
3	Water Tax	61027	78309	
	TOTAL	315967	392257	
II	LICENCE & OTHER FEES			
1	Parking Fees (Bus Stand Fee)	78600	85200	
2	D & O Trade U/S 290	0	1750	
3	Licence Fee (Contractor)		1260	
	TOTAL	0	3010	
III	RECEIPT UNDER SPECIAL ACT			
	REVENUE DERIVED FROM NAC PROPERTY			
1	Fishery Tank	0	184800	
2	Rent for Kalyan Mandap and land	0	113179	
3	Service charge in lieu of Property Tax		4000	
4	Daily Market	352000		
5	Casual Vendor	257700		
6	Ferry Ghat	0		
7	Kine House	0	2800	
8	Service Tax For Permission of Road Cutting	0		
	TOTAL	609700	304779	
V	GOVT.GRANTS			
1	Performance Based Incentive Grant		0	
2	Swachha Bharat Mission	2539350	6993250	
3	Grant For Arrear Pension & Basic Services.	5251000	8349000	
4	OULM		1668000	
5	Road & Bridges (State Plan)	2543000	2543000	
6	Road Development	2425000	0	
7	Compensation in view of Octroi.	16697000	18163000	

8	FOURTEENTH FC	8616000	9546000
9	M.P.LAD	1359000	600000
10	MLA LAD	320000	3601600
11	Non Residential Building(TFC)	316000	316000
12	Maint.of Capital Asset	457000	453000
13	Creation of capital Asset	960000	949000
14	Motor Vehicle Tax	1639000	1787000
15	Grant For honorarium,Sitting Fees,TA/DA.	55231	48900
16	Devolution of Fund	6133000	6077000
17	Reimbursement of Expenses from State Govt.		25500
18	NFBS		140000
19	OMDC	96000	
20	PYYKA	2000000	
21	Interest money of BRGF	5362946	
22	Harischandra Sahayata	250000	300000
23	Election Fund Grant		
24	OAP/ODP/NOAP/MBPY	11638400	10887600
	TOTAL	68657927	72447850
VI	MISCELLANEOUS RECEIPT		
1	Interest From SB A/C	2897787	2424329
3	CPF Deducted From Pay Bill		219196
4	LIC Deducted From Pay Bill		107020
5	House building advance deducted from salary		13565
6	Employee Contribution (EPF)	1062273	620546
10	NEFT return on SBM	3125	
11	Return Balance of OAP/ODP/NOAP/MBPY.	552700	663100
12	Leave Salary		104187
13	Professional Tax		20850
14	Pension Contribution		137474
15	Water Tanker		3000
16	Cess Pool	24754	34200
17	Renewal Fee From BTS Tower		9000
18	Bank Charges		0
19	EMD	45090	

20	Gratuity		54299
22	Miscellaneous (General)		50756
23	Investor awareness	4000	
24	RTI (Application & Information Fee)	52	560
25	Cess (Work Bill)	271289	348358
26	Contingency	399059	27118
27	SD/EMD	1570982	2326879
28	Income Tax	525825	472049
29	VAT (Work Bill)	984824	543819
30	Royalty (Works)	491967	886006
31	ECB	72824	76007
32	Withheld	235414	578949
33	Empty drum	2000	0
34	user fee for approval of building plan	0	36276
35	Road Cutting Permission/security.	0	23950
36	Security fee	2000	0
37	Trade License Fees	33900	18500
38	Bid Money of Ponds	20000	
39	Sale proceed of old news paper	1300	
40	Audit Recovery		65917
41	Rent from Market complex	63484	88798
42	Tender paper cost	545340	627144
43	salary Deduction	798814	
44	Remuneration & Training Allowances of Enumerators under NPR.	67000	
45	Honorarium of Charge Officer for N.P.R.		
46	User fee	2000	43000
47	Others		2430
	TOTAL	10756403	10712482
IV	EXTRAORDINARY DEBT		
1	SD/EMD		0
2	Recovery of Advance	603000	2222194
	TOTAL	603000	2222194
	GRAND TOTAL OF RECEIPT	80942997.00	86082572.00
	ADD OPENING BALANCE	90433291.47	82972806.00
	GRAND TOTAL	171376288.47	169055378.00

STATEMENT 'C' SHOWING THE DETAILS OF EXPENDITURE IN RESPECT OF BHUBAN NAC FOR 2016-17 & 2017-18			
SI.No.	HEAD OF ACCOUNTS	EXPENDITURE DURING 2016-17	EXPENDITURE DURING 2017-18
I	GENERAL ADMINISTRATION		
1	Pay of staff along with Arrear.	4528772	2127288
2	Other Allowances		93670
3	Travelling Allowance of Staff		8537
4	Leave Salary	250998	69136
5	GIS of staff	7500	
6	Pension Contribution Of LFS & Non-LFS	5048350	3093741
7	salary to staff on contractual appointment	218004	
	TOTAL	10053624	5392372
II	TAX & OCTROI COLLECTION		
	ESTABLISHMENT		
1	Pay of staff along with Arrear.		1570332
2	Arrear On Revised Pay of scale 2006		1459417
	TOTAL	0	3029749
III	OCTROI ESTABLISHMENT		
1	EPF to NMR and DLR	2076708	
	TOTAL	2076708	
IV	PH ESTABLISHMENT		
1	Pay of staff along with Arrear.	817898	930085
2	Sanitary Labour (Outsourcing)	7489038	4403161
3	Other Sanitary Arrangement (Fuel)		24950
4	Purchase of Bleaching & Phenyl	348889	663607
5	Maintenance of Vehicle		
6	P.H.DLR Payment	44940	512533
	TOTAL	8700765	6534336
V	PUBLIC SAFETY		
1	Street Light Electricity Charges	2849146	3400000
2	Office Electricity Charges		99547
3	Purchase of Street Light Materials.	1515298	
4	DLR Payment	411792	222000

	TOTAL	4776236	3721547
VI	PUBLIC CONVEYANCE & WORKS		
	1 Salary of Staff of Work Section		319026
	2 Conveyance Allowance		0
	3 Construction of Road	9359625	4987127
	4 Repair of road & drain		5345610
	5 Construction of drain	3030888	3038117
	6 Construction of Building	2128854	10336753
	7 Other Developmental Works	2589685	1796098
	8 Repair of Building	47160	0
	9 Construction of community Center		660455
	10 Improvement of Road & Culvert		1129502
	11 Kalyan Mandap	1167487	0
	12 Fogging Machine (MLA LAD)	1359000	
	13 SBM/IHHL	4356831	
	14 Market Complex	4127562	
	15 Refund of Grant under MLA LAD	1308334	
	16 Refund of Grant under MP LAD	434887	
	17 Staff Quarter	1504207	
	18 Bhagabat Tungi/Community centre	302356	
	19 Interest money of BRGF in Development	5362946	
	20 Construction of Earthen road		1002095
	21 Construction of Boundary Wall		957759
	22 Improvement of Pond & repair of pond		2256243
	23 Construction of Bore Well		321464
	24 Conservancy of water bodies	665466	
	25 Installation of New Street Light	2138750	2165750
	26 Improvement of Play ground		1452613
	27 Construction of Burial Ground		1160119
	28 Construction of Vending Zone		893758
	TOTAL	39884038	37822489
VII	OTHER THAN GRANT		
	1 SBM (IHHL)		1664673
	2 OAP/ODP/NOAP/MBPY/DP AIDS	10968500	11071500
	3 JSRY	504772	0

4	OULM (Revolving Fund)	741762	1366000
5	Refund of OULM fund	72765	0
6	NFSA	28500	
7	Honorarium and sitting allowance	25200	
8	Harischandra Sahayata	244000	346000
9	PYYKA	1000000	
10	Pension to AIDS beneficiary	14400	
11	Cultural Grant From ADM DKL		
12	NFBS	850000	
	TOTAL	14449899	14448173
VIII	EXTRA ORDINARY DEBT		
1	Advance of staff & Establishment	2584000	625000
2	festival advance	185000	210000
3	SD/EMD Refunded		62500
	TOTAL	2769000	897500
IX	OTHER MISC. EXPENDITURE		
1	Income Tax	571508	458358
2	Royalty	542429	873506
3	VAT	1131745	543819
4	Cess Deposited	310782	340942
5	Release of Withheld amount	250414	202114
6	CPF of staff		219196
7	LIC Premium		107020
8	Miscellaneous		219985
9	Refund Of EMD		0
10	Professional Tax		20850
11	Pension Contribution		137474
12	Release of Security Deposit	35570	1917414
13	Bank Charges	6247.25	0
14	LSG Day Celebration	91000	
15	NFBS		920000
16	News Paper		14117
17	Purchase of Computer & Accessories		238730
18	Purchase of Square Pipe & CR sheet stage frame.		0

19	Purchase of Civil Engineering Equipments.		
20	Purchase of AC	299100	
21	Vehicle Insurance	9154	19876
22	Cost of Fuel	35189	
23	Hire Charges Of Vehicle	26655	47470
24	Hire Charges Of Machinerics		1350
25	Telephone, Fax, & Postage Exp		66898
26	Advertisement(Tender & General)	92504	135084
27	Legal Charges	14000	5000
28	T.A. of Chair Person	91194	0
29	DP AIDS		14400
30	Sitting Allowance To Councillors		7200
31	Allowance of CP/VCP		7200
32	Gratuity		101920
33	Festival Observation(15th Aug & 26th Jan)		16213
34	MOBILE		12000
35	Stabiliser		8500
36	DTP		41872
37	Electric bill of office	61464	
38	Datapro computer	183288	
39	Local puja festival	298942	90567
40	Honorarium of enumerator	67000	
41	Water cooler	85300	49300
42	Salary deductions	931359	
43	Office Stationery & Contingency Expenses	246457	44755
44	Purchase of Water Tank		13801
45	Computer stationery & Consumables		21180
46	Road Tax		0
47	Bank Charges		3199.85
48	Refund of MP LAD		600000
49	Refund of MLA LAD		480000
50	Refund of OULM		37685
51	EPF		1648963
52	House Building Loan		13565
53	Purchase of water Pump		64945

54	Repair & Maintainace Of Vehicle	311911	17675
55	Misc Maintenance Expenses		103413
	TOTAL	5693212.25	9887556.85
	TOTAL EXPENDITURE	88403482.25	81733722.85
	ADD CLOSING BALANCE	82972806.22	87321655.15
	GRANT TOTAL	171376288.47	169055378.00

PARA-4.3 - NON-MAINTENANCE OF FLEXI ACCOUNT

During the period under audit it was observed that a total sum of Rs.13539577.00 as detailed below has been retained as on 31.03.2018 towards unutilized funds of centrally sponsored schemes implemented by the government through this ULB.

Sl.No.	Name of the Centrally Sponsored Scheme	Amount retained in S.B. Account
1	SJSRY	932111
2	Annual maintenance of Road And Bridges	4931596
3	BRGF	1276966
4	MPLAD	7518
5	14th FC	6391386
	Total	13539577

The above amounts were kept in different nationalized banks in shape of Saving Bank deposit accounts instead of keeping them in flexi accounts. In this context it may be pointed out that the Govt. in Finance Department has instructed vide their Letter No. 35425/ F. Dt.12.10.2012 to keep the funds of centrally sponsored plan schemes in Flexi Accounts so that higher interest accruals from such funds can be achieved to expand the coverage of the scheme without affecting the fund flow for implementation of scheme. But in spite of objection and suggestion imparted by the last audit no such instruction was carried out by the Executive Staff of this NAC during the year under audit. Had the funds of centrally sponsored plan schemes been kept in Banks in shape of Flexi Deposit Accounts a sum of Rs.13539577.00 , as computed below could have been achieved towards interest money over and above the normal interest amount , as usually received on S.B. deposit A/C 4%P.A. As such due to non keeping of the above fund in shape of flexi deposit accounts the NAC sustained the loss of Rs.4061873.31. which is considered a major irregularity in management and regulation of NAC Fund.

- i).Interest money receivable on Flexi A/C 7.0% P.A.on deposited fund of Rs.13539577= 947770.39
- ii).Interest money received on S.B. A/C 4 % P.A.on deposited fund of13539577.00 = 541583.08
- iii).Difference = Rs.406187.31

Hence attention of the Local Authority is once again invited in this regard and suggested to do the needful as per the above instruction in order to achieve high returns for expansion of better coverage of the scheme without affecting fund flow for implementation of the scheme and fact reported to audit.

PARA-4.4. - Non-maintenance of cash book under Double Entry Accrual Based Accounting System (DEABAS)

It is to mention here 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. 1.10.2013. and the govt has posted an accountant since 4 years, but no Double Entry Accrual Based Accounting System (DEABAS) as per Odisha Municipal Accounts system adopted by the organisation as audit was done on manual cash book . In spite of several persuasion on production of DEABAS cash book till the end of the audit no cash book produced to the audit .Non production of the DEABAS cash book to the audit despite present of staff was very discouraging .This shows very poor management of the authority. Again the Executive Officer is suggested to adopt all the govt. Guidelines in this regard to bring transparency on financial management.

During Exit conference the Local Authority has been convinced upon significance of preparation of realistic budget and opening of flexi account for betterment of financial creditability and the Authority agreed to adopt the suggestions in the year 2018-19.

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

Bhuban NAC - 2017-2018

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	CONSOLIDATED POSITION		01-04-2017	96080546.37	31-03-2018	87321655.37	8758891.00	
	GRAND TOTAL			96080546.37		87321655.37	8758891.00	

Reconciliation

ABSTRACT POSITION OF BANK POSITION FOR THE 2017-18

Sl.No.	A/C No	Scheme name	Closing Balance As Per Pass Book Balance	Closing Balance As Per Cash Book Balance	Difference
1	P.L A/C No 8448	Treasury	33520941.65	33520941.65	0.00
2	SBI-36592226197	EPF	74952	74952.00	0.00
3	SBI -11656080933	NRV Subsidy	5039.31	4958.31	81.00
4	SBI-11656080944	NRV Scheme for Admn	2625.62	2583.62	42.00
5	SBI-11656081029	Octroi & Deduction	5936107.89	5733698.89	202409.00
6	SBI-11656081030	0	10857.69	10682.69	175.00
7	SBI-11656081041	0	17660.71	17375.71	285.00
8	SBI-30345384831	NON-LFS Pension	22305	26378.00	-4073.00
9	SBI-30324506969	SJSRY	549017	-2667.00	551684.00
10	SBI-30345382041	LFS Pension	2170	-11207.00	13377.00
11	SBI-33496603282	CC Road	173251	173251.00	0.00
12	SBI-11656080172	0	0	2661.00	-2661.00
13	SBI-3047436208	Road Development	66707	-117585.00	184292.00
14	SBI-30394243882	SRC	926291	914438.00	11853.00
15	SBI-30711601944	BRGF	1061386	718922.00	342464.00
16	SBI-33229747528	BRGF Capacity Building	644987	644987.00	0.00
17	Canara-10931	SJSRY	294071	269295.00	24776.00
18	Canara-13385	SJSRY	23422	23042.00	380.00
19	Canara-116549	MP LAD	7518.1	-12261.90	19780.00
20	Canara-117205	ODP	6858632	1126481.00	5732151.00
21	Canara-21094	Harischandra sahayata	18703	18703.00	0.00
22	Canara-117457	MLA LAD	3598366	3549109.00	49257.00
23	Canara-117929	TFC	4287068	2722143.00	1564925.00
24	Canara-118408	Hard Case & MV	756048	743168.00	12880.00
25	Canara-118409	Performance Based Incentive Grant	4834080	4623761.00	210319.00
26	DGB-2348	Election & MISC	158501	140459.00	18042.00

27	UCO-9833	OULM	0	0.00	0.00
28	DGB-3422	SJSRY	65601	64573.00	1028.00
29	DGB-3758	Pension	15282	15052.00	230.00
30	DGB-3919	BRGF	215580	211681.00	3899.00
31	DGB-7155	TFC	46634	45874.00	760.00
32	DGB-5797	N.S.D.P	12529	12334.00	195.00
33	DGB-3468	Balikavikash Samrudhi Yojana	3902	3472.00	430.00
34	ICICI-044	Maintenance of Roads & Bridges	4931596	4931596.00	0.00
35	ICICI-205	Devolution Fund	2050154	2050154.00	0.00
36	ICICI-003	Devolution Fund	197902	197902.00	0.00
37	ICICI-004	Motor Vehicle	351147	351147.00	0.00
38	ICICI-240	SBM	11975623	11938196.00	37427.00
39	ICICI-264	14th FC	6391386	6391386.00	0.00
40	ICICI-247	Octroi	121721	121721.00	0.00
41	UCO-22559	DAY-NULM	172034	140034.00	32000.00
42	PNB-13534	OWN FUND	2533694.4	2783210.40	-249516.00
43	AXIS-546356	OLD AGE PENSION	330475	330475.00	0.00
44	AXIS-627391	OLD AGE PENSION	58834	58834.00	0.00
45	AXIS-794775	OLD AGE PENSION	140201	140201.00	0.00
46	AXIS-821110	OLD AGE PENSION	2615543	2615543.00	0.00
47	Total	0	96080546.37	87321655.37	8758891.00

RECONCILIATION

Date	Ch.No.	DR/CR	Description	Amount	Account Number
Balance as per Cash Book as on dt.31.03.2018				87321655.37	
31.07.17	541882	CR	Cheque Issued but not debited from bank during 2017-18.	5000.00	SBI-3282
20.03.18	753017	CR	Cheque Issued but not debited from bank during 2017-18	37015.00	SBI-029
27.03.18	753021	CR	Cheque Issued but not debited from bank during 2017-18	23697.00	SBI-029
28.03.18	753026	CR	Cheque Issued but not debited from bank during 2017-18	20742.00	SBI-029
28.03.18	753028	CR	Cheque Issued but not debited from bank during 2017-18	142406.00	SBI-029

29.03.18	753029	CR	Cheque Issued but not debited from bank during 2017-18	55121.00	SBI-029
25.05.16	354365	CR	Cheque Issued but not debited from bank during 2017-18	503647.00	SBI-6969
13.03.18	920294	CR	Cheque Issued but not debited from bank during 2017-18	32000.00	UCO-22559
27.02.18	128124	CR	Cheque Issued but not debited from bank during 2017-18	2595.00	PNB-13534
21.03.18	128128	CR	Cheque Issued but not debited from bank during 2017-18	4576.00	PNB-13534
21.03.18	128128	CR	Cheque Issued but not debited from bank during 2017-18.	4631.00	PNB-13534
21.03.18	128130	CR	Cheque Issued but not debited from bank during 2017-18	2713.00	PNB-13534
21.03.18	128130	CR	Cheque Issued but not debited from bank during 2017-18	3622.00	PNB-13534
21.03.18	128130	CR	Cheque Issued but not debited from bank during 2017-18	4629.00	PNB-13534
21.03.18	128132	CR	Cheque Issued but not debited from bank during 2017-18	8318.00	PNB-13534
27.03.18	128134	CR	Cheque Issued but not debited from bank during	19876.00	PNB-13534

			2017-18		
28.03.18	128135	CR	Cheque Issued but not debited from bank during 2017-18	26000.00	PNB-13534
17.03.18	000072	CR	Cheque Issued but not debited from bank during 2017-18	37427.00	ICICI-240
07.02.15		DR	Interest on Bank short credited in Cash Book.	10.00	NGB-5797
21.12.13	203981	CR	Cheque Issued but not presented for payment till now and cheque has been Invalid due date exceeds more than 3 months.	34130.00	SBI-029
GRAND TOTAL :-				88289810.37	
27.03.15	882703	DR	Cheque deposited in Bank but not cleared.	-2100.00	SBI-029
27.03.15	882702	DR	Cheque deposited in Bank but not cleared.	-2100.00	SBI-029
16.02.17		DR	Cheque deposited in Bank but not cleared.	-6300.00	SBI-029
27.02.18	128124	DR	Cheque deposited in Bank but not cleared.	-2595.00	SBI-029
17.03.18	000072	DR	Cheque deposited in Bank but not cleared.	-37427.00	SBI-029

21.03.18	128128	DR	Cheque deposited in Bank but not cleared.	-4576.00	SBI-029
21.03.18	128128	DR	Cheque deposited in Bank but not cleared.	-4631.00	SBI-029
21.03.18	128130	DR	Cheque deposited in Bank but not cleared.	-2713.00	SBI-029
21.03.18	128130	DR	Cheque deposited in Bank but not cleared.	-3622.00	SBI-029
21.03.18	128130	DR	Cheque deposited in Bank but not cleared.	-4629.00	SBI-029
21.03.18	128132	DR	Cheque deposited in Bank but not cleared.	-8318.00	SBI-029
26.02.18		DR	Cheque deposited in Bank but not cleared.	-8960.00	PNB-13534
26.02.18		DR	Cheque deposited in Bank but not cleared.	-43904.00	PNB-13534
26.02.18		DR	Cheque deposited in Bank but not cleared.	-297920.00	PNB-13534
Pass Book Balance in Bank As Per Reconciliation =				87860015.37	
Pass Book Balance as on 31.03.2018 =				96080546.37	
Balance amount to be reconciled =				-8220531	

It would seen from the above statement that a sum of Rs.8220531.00 , is rolling un-reconciled from the financial year 2012-13,as referred in AR No.40175/2013-14 and 275051/AR/2016-2017 without proper reconciliation. No steps have been taken by the local authority to reconcile the amount, even after elapsing of four years . As per letter No.15847/dt.27.04.2013 of the Govt. in Finance Deptt. The DDO should maintain a register for reconciliation of receipts and

disbursement of scheme fund. Again it is clearly instructed vide Letter No.690-XIV-Aud-1/2003/F dt.21.09.2001 of the Govt. in Finance Deptt. that the local authority is solely responsible for preparation of the bank reconciliation statement. But in spite of issue of such directives no steps appear to have been taken by the local authority for reconciliation of the above discrepancy. Till reconciliation of the difference a sum of Rs. 8220531/- is held under objection.

Hence attention of Higher Administrative Authority is invited in this regard to look in to the matter and instruct to NAC authority to ensure proper reconciliation of the above discrepancy amounts in order to avoid future complications of loss and mis-utilization of council fund.

The local authority replied "Reconciliation will be made according to the instruction of audit & compliance will be reported" in the interim compliance .During Exit conference the Local Authority has assured to take suitable steps to reconcile the difference.

PARA: 6 STOCK POSITION

Bhuban NAC - 2017-2018

S/no	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	MDM RICE IN QUINTAL	62.65740	0	0	62.66	62.65740	Position as per 275051/AR/2016-2017-DHENKANAL

Comments

In spite of objection and suggestion imparted in last AR No.40175/AR/2013-14/DKL ,No compliance appears to have been submitted by the local authority regarding the existence of balance stock of rice whether the same are in consumable stage. Since the cost of above balance stock has been suggested for recovery by the last audit and surcharged against the then E.O. & HC vide para-12.1. of the above mentioned report as well as reported in last AR. The present audit was therefore awaited the result without furnishing any comment.

Non-Maintenance of Dead stock Register.

As per provision laid down under Rule-106 of OGFR-Vol-I an account of dead stock , such as Plants, machinery, furniture, Fixtures & equipments etc. should be maintained in a register in Form -6 and a separate page shall be allotted to each article of the stock for record of its transactions in respect of receipt, issue and balance thereof. Further the articles of dead stock should be got verified by the Head of Office at least once in a year and the result of verification should be recorded in the inventory as adhered to Rule-106(iv) of OGFR Vol.I. But it was observed that no dead stock register has been maintained by the E..O. in spite of purchase of several items of such stock for office use.

Hence the local Authority is advised to emphasize on the above matter and suggested the Store section to maintain the stock register forthwith and get verified the same by the authority competent in order to restrict misutilization and loss of stock & stores of NAC and compliance reported to audit. However the stock position of different articles acquired by the NAC on purchase as on 31.03.2018 is furnished in table below.

DEAD STOCK POSITION OF BHUBAN NAC FOR THE FY 2017-18						
SL.NO.	NAME OF THE ASSETS	Opening Balance As on Dt.01.04.2017	Purchased During The Year 2017-18	Total No Of Assets As on Dt.31.03.2018	Damage	Balance as on 31.3.2018
1	Computer-Desktop	6	5	11	0	11
2	Broadband	2	0	2	0	2
3	UPS	5	5	10	0	10
4	TABLE	11	0	11	0	11
5	TYPEWRITER	2	0	2	0	2
6	HP PHOTO COPIER MACHINE 1020	2	0	2	0	2
7	HP PRINTER	6	0	6	0	6
8	CAMERA	3	0	3	0	3
9	QURH STTING MACHINE	3	0	3	0	3
10	CONCRETE CUBS	1	0	1	0	1
11	WATER COOLER	3	1	4	0	4
12	TRACTOR	1	0	1	0	1
13	CESSPOOL	1	0	1	0	1
14	TRICYCLE	16	0	16	0	16
15	WHEEL BARROW	20	0	20	0	20
16	SPARYER	9	0	9	0	9

17	TRAILOR	1	0	1	0	1
18	AUTO TIPPER	1	0	1	0	1
19	DUMPER	1	0	1	0	1
20	CHAIRS	102	0	102	0	102
21	AIR CONDITIONER	8	0	8	0	8
22	COOLER	2	0	2	0	2
23	STABILISER	3	1	4	0	4
24	GENERATOR	1	0	1	0	1
25	CRIMPTING TOOL	1	0	1	0	1
26	PEN DRIVE	1	0	1	0	1
27	TALLY SOFTWARE	1	0	1	0	1
28	STEEL ALMIRAH	7	0	7	0	7
29	DOOR CLOSER	1	0	1	0	1
30	DUST BIN	100	0	100	0	100
31	INCUMBENCY BOARD	1	0	1	0	1
32	RACK	2	0	2	0	2
33	CALCULATOR	3	0	3	0	3
34	CATRIDGE	3	1	4	0	4
35	CC CAMERA	10	0	10	0	10
36	SCANNER	1	0	1	0	1
37	CR SHEET STAGE FRAME	1	0	1	0	1
38	CIVIL ENGINEERING EQUIPMENT	1	0	1	0	1
39	STREET LIGHT	140	50	190	0	190
40	HIGH MAST LIGHT	1	0	1	0	1
41	Auto Mounted Fogging Machine	1	0	1	0	1
42	Mobile	0	2	2	0	2
43	Monitor	0	1	1	0	1
44	Water Pump	0	2	2	0	2
45	Water Tank	0	1	1	0	1
GRAND TOTAL :-		485	69	554	0	554

The local authority replied "Stock Register produced to the next audit" in the interim compliance .During Exit conference the Local Authority has assured to take suitable steps to maintained stock registers in the financial year 2017-18.Hence the local Authority is advised to emphasize on the above matter and suggested the Store section to maintain the stock register forthwith and get verified the same by the authority competent in order to restrict misutilization and loss of stock & stores of NAC in future.

PARA: 7 INVESTMENT

Bhuban NAC - 2017-2018

S/no	Opening Balance of Investment as on (DD MM YYYY)	Opening Balance(In Rs:)	Amount Encashed during the Year under Audit(In Rs:)	Total(In Rs:)	Amount Invested during the Year under Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Audit	Closing Balance Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Investment Ledger	Closing Balance Investment Ledger(In Rs:)	Difference(In Rs:)	Remarks
1	01-04-2017	500.00	0.00	500.00	0.00	31-03-2018	500.00	31-03-2018	500.00	0.00	Reference to AR No. 275051 AR 2016-17
2	01-04-2017	1000.00	0.00	1000.00	0.00	31-03-2018	1000.00	31-03-2018	1000.00	0.00	Reference to 275051/AR/2016-2017-DHENKANAL
3	01-04-2017	5.00	0.00	5.00	0.00	31-03-2018	5.00	31-03-2018	5.00	0.00	Reference to 275051/AR/2016-2017-DHENKANAL
4	01-04-2017	500.00	0.00	500.00	0.00	31-03-2018	500.00	31-03-2018	500.00	0.00	Reference to 275051/AR/2016-2017-DHENKANAL
	GRAND TOTAL	2005.00	0.00	2005.00	0.00		2005.00		2005.00	0.00	

DETAILS OF CB ON INVESTMENT & Comments :

DETAILS OF CB ON INVESTMENT & Comments :

The above invested amounts are rolling in audit report figure since long. It was observed that this amount has not been counted as a part (component) in closing balance amount of the cash book since the years together. Therefore the existence of the above investments is quite doubtful. In spite of objection and suggestion imparted in last and previous audit reports the E.O. of the NAC has not been conducted the physical verification and result thereof not intimated to audit. As a result the existence of above mentioned investments could not be yet ascertained by the present audit.

Hence the Executive Officer of the N.A.C is once again requested to query the above matter and intimated the actual fact as soon as possible to audit for necessary record of information .

PARA: 8 **ADVANCE**

Bhuban NAC - 2017-2018

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	01-04-2017	ACCOUNTANT CASH BOOK	3936223.23	835000.00	4771223.23	2222194.008	31-03-2017	2549029.238	31-03-2017	2549029.23	0.00	
	GRAND TOTAL		3936223.23	835000.00	4771223.23	2222194.00		2549029.23		2549029.23	0.00	

Comments :

Details of Outstanding Advances adjusted Prior to F.Y 2017-18

SI.No	Name and Designation of the Advance holder	Reference to the Voucher No & Date / Year of payment of Advance	Amount of Advance paid	Reference to the Voucher No & Date of adjustment of Advance	Amount of advance adjusted during 2017-18	Outstanding advance as on 31.03.18	Purpose
1	SRI CHITTARANJAN MISHRA,CONTRACTOR	29.4.15	300000	38/24.4.2017 (refund of cash vide MR No 4478 dated 24.04.17	400000	0	Construction of Kalyan Mandap
		26.02.16	100000			0	
		Total	400000		400000	0	
2	SRI CHITTARANJAN MISHRA,CONTRACTOR	8/12.4.2016	200000	JV/98/31.8.2017	200000	0	Construction of drain & culvert near Pachha Pokhari
		33/19.4.2016	500000	JV/100/31.8.2017	495865	4135	Construction of Drain from Kalimandir to Godipokhari
		69/13.5.2016	800000	JV/102/31.8.2017	374346	425654	Construction of Kalyan Mandap
		71/19.5.2016	500000	JV/113/21.9.2017	242908	257092	Construction of Kalyan Mandap
		Total	2000000		1313119	686881	
3	FA of Staff	211/4.10.16	94000	JV/02/11.4.17 Rs-18500 JV/03/11.4.2017Rs.-1500/- JV/31/5.5.2017Rs. 18500/- JV/52/8.6.2017Rs. 17000/- JV/67/10.7.2017 Rs.18500/- JV/69/10.7.2017 Rs. 1500/- JV/77/1.8.2017	92500	1500	FA of Staff

				Rs.17000/-			
		Total	94000		92500	1500	
4	Prana Krushna Ojha, Jr Asst.	609/10.03.17	5000	JV/06/13.4.2017	5000	0	Fuel for tractor
		Total	5000		5000	0	
	Grand Total		2499000		1810619	688381	

It would be seen from the above table that a sum of Rs. 400000/- was advanced to contractor on 29.04.15 (Rs.300000) & on 26.2.16 (Rs.100000) and the same was refunded by the contractor on 24.04.17 without any utilization. Why this will not be treated as undue financial favor to contractor on personal interest may be complied.

In pursuance to Rule 140(A) of OGFR volume 1 and Para 3.7.21 of OPW code any advance paid to the Contractor will not be utilized for execution the advance shall carry interest rate @ 18% per annum. As calculated below a sum of Rs. 129000/- towards penal interest will be levied upon the contractor for such lapses.

Date on which advance sanctioned	Amount of Advance paid	duration up to 24.04.17	Interest @ 18%
29.4.15	300000	24months	108000
26.2.16	100000	14months	21000
			129000

Till recovery of the penal interest & compliance, a sum of Rs. 129000/- is suggested for recovery from Sri Rasmi Ranjan Dash, Ex-EO who has sanctioned the advance.

8.1-Advance outstanding more than one year(surcharge able)

In pursuance of G.O. no. 2221/F, Dt. 08-03-2002 read with letter no. 15179/DLFA /Dt. 28-09-13 of Director, Local Fund audit, Odisha, advances remaining outstanding for more than one year is to be treated as loss to the govt. fund. Such unadjusted advances are to be suggested for recovery through surcharge proceedings as per the said G.O. by fixing up responsibility on the sanctioning authority and on the advance holder in equal basis. Subsequently the Govt. in Finance Deptt. In their Circular No. 114/ F. Dt. 5.1.2004 has clearly instructed that advance against Govt. transaction cash book of P.S., ULBs and other organization is also come under surcharge proceedings.

So the outstanding advance amount of Rs.941381.00 relating to the F.Y 16-17 which is still remained unadjusted as on 31.3.2018 comes under surcharge action as the advance holder are contractor and contractual employees, So the local authority is solely responsible who have been sanctioned the advance and the details are given in the table below along with the total outstanding figures.

DETAILS OF OUTSTANDING ADVANCES AS ON 31.3.2018

ADVANCES PAID DURING 2016-17, BUT NOT ADJUSTED TILL 31.3.2018

SL NO	NAME AND DESIGNATION OF THE ADVANCE HOLDER	VR NO/DATE	MORE THAN ONE YEAR	LESS THAN ONE YEAR	PURPOSE OF ADVANCE	NAME OF THE SANCTIONING AUTHORITY
1	SRI CHITTARANJAN MISHRA, CONTRACTOR	8/12.4.16	686881		CONST OF DRAIN AND CULVERT NEAR PACHA POKHARI	Rashmi Ranjan Das, EO
	SRI CHITTARANJAN	33/19.4.16			CONST OF DRAIN FROM	Rashmi Ranjan Das, EO

	MISHRA,CONTRACTOR				KALIMANDIR TOGODI POKHARI	
	SRI CHITTARANJAN MISHRA,CONTRACTOR	69/13.5.16			CONST OF KALYAN MANDAP	Rashmi Ranjan Das,E.O
	SRI CHITTARANJAN MISHRA,CONTRACTOR	71/19.5.16			CONST OF KALYAN MANDAP	Rashmi Ranjan Das,E.O
		Total	686881			
2	SRI RASHMIRANJAN DAS,E.O,	53/4.5.2016	40000		SALARY	Rashmi Ranjan Das.E.O
		Total	40000			
3	SRI RABINDRA KUMAR BEHERA, ATC	84/28.5.16	20000		REPAIR OF	Rashmi Ranjan Das.E.O
	SRI RABINDRA KR BEHERA, ATC	164/19.7.16	6000		FUEL OF TFOGGING machine	Rashmi Ranjan Das.E.O
	SRI RABINDRA KUMAR BEHERA,ATC	282/26.9.2016	7000		FUEL	Rashmi Ranjan Das.E.O
		Total	33000			
4	SRI SATYBRATA SAHOO	VR NO.1/4.5.2016	20000		DHENKANAL MAHOTSAB	Rashmi Ranjan Das,E.O
	SRI SATYBRATA SAHOO	159/8.7.16	15000		CONTIGENCYEXP OF NPR	Rashmi Ranjan Das.E.O
	SRI SATYBRATA SAHOO	217/5.8.16	70000		INDEPENDENCEDAY	Rashmi Ranjan Das.E.O
		Total	105000			
5	JAGADISH NAIK JE.	196/29.7.16	5000		CHANGE OF KISAOM IN NEW BUSSTAND	Rashmi Ranjan Das,E.O
	JAGADISH NAIK,JE.	554/4.2.17	50000		COMMUNITY TOILET	Rashmi Ranjan Das ,E.O.
		Total	55000			
6	HALADHAR DEHURY ATC	312/4.10.16	20000		SANIATATION WORK	Rashmi Ranjan Das,E.O
		Total	20000			
8	FA OF STAFF	311/4.10.2016	1500		FA OF STAFF	Rashmi Ranjan Das,E.O
		Total	1500			

		Grand TOTAL	941381			
<p>The Advance amount of Rs. 2000000/- was surcharged in Para 11.2 of the previous audit report and out of the same a sum of Rs.1313119/- was adjusted during the year audit. In this context, A sum of Rs.254500/- (941381-686881) instead of Rs.941381/- is suggested for recovery due to non adjustment of advance more than one year.</p>						
ADVANCES PAID DURING 2017-18 , BUT NOT ADJUSTED TILL 31.3.2018						
SL NO	NAME AND DESIGNATION OF THE ADVANCE HOLDER	VR NO/DATE	MORE THAN ONE YEAR	LESS THAN ONE YEAR	PURPOSE OF ADVANCE	NAME OF THE SANCTIONING AUTHORITY
	Pranakrushan Ojha	PV/674/13.3.2018		5000	fuel for March 18	Jamini Kanta Swain, E.O
	All staff	PV/337/25.9.2017		104309	FA	Jamini Kanta Swain, E.O
		676/13.3.2018		32000	Towards capacity building training prgramme under day-nulm	Jamini Kanta Swain, E.O
2	Satyabrata Sahoo	PV/262/10.8.2017		80000	To celebrate independence day	Jamini Kanta Swain, E.O
		PV/581/20.1.2018		80000	Towards Republic Day 2018	Jamini Kanta Swain, E.O
3	Pradeen Ku Nath	PV/292/30.6.2017		122116	Expences towards LSG day -2017	Jamini Kanta Swain, E.O
				423425		

YEAR WISE BREAK-UP OF OUTSTANDING ADVANCES

Up to 2001-02	730200.23
2002-03	55000
2003-04	10000
2004-05	7653
2005-06	85000
2008-09	50000
2009-10	60000
2011-12	100000
2012-13	6500
2014-15	20000
2015-16	59870
2016-17	941381(Rs.254500/- is surcharged & the reason is stated in para 8.1)
2017-18	423425
Total	2549029.23

It would be revealed from the above break up of outstanding advances that no tangible steps are taken by the local authority to adjust the old and long outstanding balance of

advances. The reason, behind non-adjustment of such long, and old outstanding advances is due to the fact that the detailed list of staff, and persons , against whom such long, and old advances are rolling since long have not been yet worked out. As a result of which follow up actions for adjustment of such outstanding advances are badly delayed. Due to negligence, and inaction of the Local authority those outstanding advances have become unsecured. Hence attentions of Higher Administrative Authorities are invited in this regard to insist the Executive Authority of the NAC to work out at first the detailed list of advances from the cash books, and then adopt a special drive on the score for early adjustment of long, and old outstanding advances by either making the cash recovery or by obtaining authenticated vouchers from the denigrated advance, and action taken in this regard should be reported to audit.

In previous audit report at Para 11.2 a sum of Rs. 2000000/- was treated as misappropriation due to payment in guise of advance. Out of the aforesaid amount a sum of Rs. 1313119/- was adjusted during the 2017-18 the year under audit. But the details of adjustment in lieu of the advance payment are furnished below.

Name of the advance holder	Purpose of advance paid	Voucher no/date	Amount of advance paid	Date of adjustment	Amount of adjustment	Details of bill from which it is adjusted	Remark	Bill details
Sri Chittaranjan Mishra ,Contractor	CONST OF DRAIN AND CULVERT NEAR PACHA POKHARI	8/12.04.2016	Rs.2,00,000.00	JV/98/31.8.2017	Rs.2,34, 687.00.	Construction of road & culvert near Pacha Pokhari	Estimated Cost-Rs.295711/- Date of issue of work order-341/10.03.15 Date of commencement-07.2.17 Date of Completion-28.03.2017	1 st & final bill under Annual maint. R&B Total bill Rs.259049& deduction of Rs. 24362& net Rs.234687 which was total adjusted
Sri Chittaranjan Mishra ,Contractor	CONST OF DRAIN FROM KALIMANDIR TO GODI POKHARI	33/19.04.16	Rs.5,00,000.00	JV/100/31.8.2017	Rs.4,95,865.00	Repair & restoration of road & drain from Govind Mishra house to Bhrameswar temple in W.N.-4 of Bhuban NAC	Estimated Cost-Rs.600000/- Date of issue of work order-166/22.02.17 Date of commencement-15.05.2017 Date of Completion-04.07.2017	1 st & final bill under 14 th FC Total bill Rs.588898 & deduction of Rs. 93033& net Rs.495865/-which h was total adjusted
Sri Chittaranjan Mishra ,Contractor	CONST OF KALYAN MANDAP	69/13.05.2016	Rs.8,00,000.00	JV/102/31.8.2017	Rs.3,39,659.00	Repair & restoration of drain from Musha Pothal house to Badadanda Chhak in w No-8 & W No-13	Estimated Cost-Rs.400000/- Date of issue of work order-164/22.02.17 Date of commencement-25.03.17 Date of Completion-28.04.2017	1 st & final bill under 4 th SFC. Total bill Rs.395738 & deduction of Rs. 56079& net Rs.339659/-which h was total adjusted.
Sri Chittaranjan Mishra ,Contractor	CONST OF KALYAN MANDAP	71/19.5.16	500000.00	JV/113/21.9.2017	Rs.2,42,908.00	Construction of Laxmisagar Bhojan Mandap in W. No-3	Estimated Cost-Rs.285000/- Date of issue of work order-160Dt 22.02.17 Date of commencement-26.04.17 Date of Completion-18.08.2017	1 st & final bill under OC-16-17. Total bill Rs.278112& deduction of Rs. 35204& net Rs.242908/-which h was total adjusted.
Total			Rs.20,00,000/-		Rs.13,13,119.00			

From the above table it is found that in 1st case, the advance was adjusted against the same project against which the advance was sanctioned but the project was commenced after 301 days of payment of advance. But in rest three cases the advance was paid for a project and adjusted against different projects. In no work case record the sanction of advance amount was reflected. Even the work orders in respect of the projects (reflected in SI no 2 to 4) were issued after a long gap of advance in a different project. The Local authority was stated that the advance was realized against the total outstanding advance amount against Sri Chittaranjan Mishra out of the works awarded in favour of him.

From the above the misappropriation stated in previous audit report at Para 11.2 of Rs. 20, 00,000.00 is established once again by the above activity. Even the work orders in respect of the projects (reflected in Sl. no 2 to 4) were issued after a long gap of sanction of advance in a different project. In this circumstances the projects shown as executed may be physically verified by the Administrative department against its appropriation.

The details of advance amount kept towards self interest are furnished below.

Name of the advance holder	Purpose of advance paid	Voucher no/date	Amount of advance paid	Date of adjustment	Amount of adjustment	Details of bill from which it is adjusted	Date of commencement of work against which the advance was adjusted	Period for the advance was kept for self interest	Penal interest @ 18% per annum	Name of the official who sanctioned advance
Sri Chittaranjan Mishra ,Contractor	CONST OF DRAIN AND CULVERT NEAR PACHA POKHARI	8/12.04.2016	Rs.2,00,000.00	JV/98/31.8.2017	Rs.2,34,687.00.	Construction of road & culvert near Pacha Pokhari	7.02.17	301 days	34837	Sri Rasmi Ranjan Das,EO
Sri Chittaranjan Mishra ,Contractor	CONST OF DRAIN FROM KALIMANDIR TO GODI POKHARI	33/19.04.16	Rs.5,00,000.00	JV/100/31.8.2017	Rs.4,95,865.00	Repair & restoration of road & drain from Govind Mishra house to Bhrameswar temple in W.N.-4	15.05.17	391 days	95614	Sri Rasmi Ranjan Das,EO
Sri Chittaranjan Mishra ,Contractor	CONST OF KALYAN MANDAP	69/13.05.2016	Rs.8,00,000.00	JV/102/31.8.2017	Rs.3,39,659.00	Repair & restoration of drain from Musha Pothal house to Badadanda Chhak in w No-8 & W No-13	25.03.17	316 days	52931	Sri Rasmi Ranjan Das,EO
Sri Chittaranjan Mishra ,Contractor	CONST OF KALYAN MANDAP	71/19.5.16	500000	JV/113/21.9.2017	Rs.2,42,908.00	Construction of Laxmisagar Bhojan Mandap in W. No-3	26.04.17	342 days	40968	Sri Rasmi Ranjan Das,EO
								Total	224350	

In pursuance to Rule 140(A) of OGFR volume 1 and Para 3.7.21 of OPWD code any advance paid to the Contractor will not be utilized for execution the advance shall carry interest rate @ 18% per annum. In similar spirit a sum of Rs. 2, 24,350/- is charged upon against the advance adjusted by considering the period for the advance was kept for self interest.

In pursuance to the above cited fact a sum of Rs. 224350 is suggested for recovery from Sri Chittaranjan Mishra who received the advance and kept for his self interest failing which the same may be recovered from Sri Rashmi Ranjan Das,Ex-E.O who sanctioned the advance illegally to Sri Chittaranjan Mishra.

No compliance was furnished against the above objection till the end of the exit conference. Hence the objection raised in aforesaid para is sustained in its own merit.

Person(s) Responsible for this paragraph

Sno	Name	Designation	Adress	Amount(In Rs.)
1	Sri Rabindra Kumar Behera	ATC	Bhuban NAC,Dhenkanal	16500
2	Sri Rashmi Ranjan Das	Ex-E.O	A permanent staff of LFA,	501350

			Odisha, Bhubaneswar. Now Serving as Executive Officer, Buguda NAC, Dist- Ganjam.	
3	Sri Jagadish Naik, JE	JE	Bhuban NAC, Bhuban, Dhenkanal	27500
4	Sri Haladhar Dehury,ATC	ATC	Bhuban NAC,Bhuban, Dist-Dhenkanal	10000
5	Sri Satyabrata Sahoo, ATC	ATC	Bhuban NAC,Bhuban, Dist-Dhenkanal	52500

PARA: 9 GRANTS

Bhuban NAC - 2017-2018

S/no	Grants Outstanding as on (DD MM YYYY)	Grants Outstanding (In Rs:)	Grants Received during the Year under Audit(In Rs:)	Total(In Rs:)	Grants Spent during the Year under Audit(In Rs:)	Grants unspent as on (DD MM YYYY)	Grants unspent (In Rs:)	Remarks
1	01-04-2017	52416401.00	61394750.00	113811151.00	41199162.00	31-03-2018	72611989.00	
	GRAND TOTAL	52416401.00	61394750.00	113811151.00	41199162.00		72611989.00	

Comments :

It would be revealed from the above computation that a sum of Rs.52416401.00 was outstanding towards unspent balance of grants relating to previous years for utilization at the beginning of the financial year 2017-18 as on 1.4.2017 . During the year under audit grants to the extent of Rs.61394750.00 was allotted by the Govt. towards utilization on different programmes. Thus a total sum of Rs.113811151.00 was available in the NAC chest during the year 2017-18 for implementation of different schemes of the government. But out of this available fund a sum of Rs.41199162.00 only was utilized during the year under audit leaving the balance amount of Rs.72611989.00 at the end of the financial year 2017-18as on 31.3.2018. As such the utilization of grant was found low in comparison to the volume of grants available with the N.A.C. The overall utilisation of grants of this NAC during the year under audit is about 36.19 % .The detailed position of scheme-wise grants are furnished below for reference of evaluation on utilization.

Sl.No.	Name Of The Grant	Unspent Grant amount as 1.4.2017	Receipt during the year 2017-18	Total	Expenditure during the year 2017-18	Unspent Grant amount as on 31.3.2018	G.O. NO.	DATE
1	Non-Residential Building	0	316000	316000	0	316000	3498/HUD	6.2.2018
2	Swachha Bharat Mission	5409368	6993250	12402618	1664673	10737945	ON LINE TRANSFER	2017-18
3	14th F.C	2060187	9546000	11606187	6218462	5387725	18479/HUD	16.08.17
4	Arrear Pension & Basic Service	2445254	8349000	10794254	4382674	6411580	20550/HUD	07.09.17
5	Devolution Fund	15925183	6077000	22002183	9004719	12997464	18509/HUD	16.8.2017
6	Creation of Capital Assets	0	949000	949000	904348	44652	20272/HUD	4.9.2017
7	Maintenance of Capital	229000	453000	682000	0	682000	19688/HUD	29.8.2017
8	Grant ForHonorarium,Sitting Fees	86031	48900	134931	7200	127731	17428/HUD	1.8.2017

9	Motor Vehicle Tax	2239541	1787000	4026541	3959469	67072	18967/HUD	19.8.2017
10	MLA LAD	-336746	3601600	3264854	861236	2403618	ON LINE TRANSFER	2017-18
11	MP LAD	94959	600000	694959	0	694959	ON LINE TRANSFER	2017-18
12	Harischandra Sahayata	6000	300000	306000	346000	-40000		2017-18
13	ROAD Development	2861073	0	2861073	2861073	0		2017-18
14	Maintenance of Roads & Bridges	5309006	2543000	7852006	3453978	4398028	3493/HUD	6.2.2018
15	Octroi	6197927	18163000	24360927	4720375	19640552		
16	Sports	1000000	0	1000000	0	1000000		
17	Performance Based Park & Greenery	4040946	0	4040946	0	4040946		
19	SRC	1661751		1661751	0	1661751		
20	SPF	50183		50183	0	50183		
21	Construction Of CC Road	451334		451334	0	451334		
22	BRGF Capacity Building	1175500		1175500	1448955	-273455		2016-17
23	Devt work from Intrest money of BRGF	0		0	0	0		

24	Entertainment Tax	28000		28000	0	28000	
25	BRGF	-2173738		-2173738	0	-2173738	
26	SJSRY	1045433		1045433	0	1045433	
27	Mannual Scavanger	13000		13000	0	13000	
28	Untied Fund	82550		82550	0	82550	
29	Construction of Town Hall	22019		22019	0	22019	
30	FDR	2076513		2076513	0	2076513	
31	Construction of Sweeper quarter	30500		30500	0	30500	
32	Construction of Bathing	1872		1872	0	1872	
33	Janata Souchalaya	69000		69000	0	69000	
34	RM Work Shop	5340		5340	0	5340	
35	Election	0		0	0	0	
36	Const. of market	-35091		-35091	0	-35091	
37	OULM	344473	1668000	2012473	1366000	646473	
38	Cultural Grant From ADM dhenkanal	0		0	0	0	
39	Implementation of NFS	33		33	0	33	
	Total of Grant	52416401	61394750	113811151.00	41199162	72611989	

Year wise break up of Pending Grant

Rule 171(3)(1) of OGFR Vol-I, provides that the grants sanctioned shall be spent within a year from the date of sanction. So it is the responsibility of the authority to surrender the unspent grant at the end of the financial year or permission should be obtained from the concern administrative Deptt. to utilise the previous year grant in current year, During audit no such steps has been taken by the authority in this regard to utilise the previous year grant and the practice is still continuing in the NAC .

Financial Year	Amount
Up to 2015-16	27957208.00
2016-17	426007.00
2017-18	44228774.00
Total	72611989.00

The local authority replied "Steps will be taken for fully utilisation of Grant.." in the interim compliance .During Exit conference the Local Authority has assured to utilize the grant at par as per the instruction of the government.

PARA: 10 UTILISATION CERTIFICATE

Bhuban NAC - 2017-2018

S/no	U.C Outstanding as on (DD MM YYYY)	U.C Outstanding(In Rs:)	U.C due for submission during the period under Audit(In Rs:)	Total(In Rs:)	U.C Submitted during the period under Audit(In Rs:)	U.C needs to be submitted as on outstanding as on (DD MM YYYY)	U.C needs to be submitted as on outstanding (In Rs:)	Remarks
1	01-04-2017	201133280.00	41199162.00	242332442.00	53977077.00	31-03-2018	188355365.00	
	GRAND TOTAL	201133280.00	41199162.00	242332442.00	53977077.00		188355365.00	

Comments :
PARA-10.1- INEFFICIENT ACTION ON SUBMISSION OF UTILIZATION CERTIFICATES :-

As per Rule-173 of OGFR Volume-I read with F.D. L.No.8437/F dt. 6.3.2012 and F.D L.No-029539 dt.20.10.14 gives emphasis on submission of UCs by the grantee organisation to the funding authority as well as Principal Accountant General (A&E), Odisha by the 30th June of the succeeding year of expenditure for proper monitoring of utilisation of grants for intended purposes. Non submission of UC shows the lack of management.

As-such it can be seen from the above table that amount of Rs. 41199162.00 fit for UC against the grant spent during the FY 2017-18 . On checking of the UC file it is seen that UC has been submitted 53977077.00 for current & previous years of grant spent and detailed was given in the table in the paragraph. UCs for a sum of Rs.188355365..00 still pending with the local authority is to be submitted as on 31st. March 2018.

Details of U.C submitted :

Sl.No.	Name of the Scheme (Grant)	Amount of U.C Submitted	Received vide G.O.No & Dt.	Despatched To Funding Agency From PD DRDA/COLLECTOR Dhenkanal vide Letter No & Dt.
1	MOTOR VEHICLE	416573.00	G.O No 5203 /H&UD Dt-25.02.16	269/22.11.17
2	MOTOR VEHICLE	326028.00	G.O No 24517 /H&UD Dt-19.10.16	269/22.11.17
3	MOTOR VEHICLE	276938.00	G.O No 2763 /H&UD Dt-06.02.17	269/22.11.17
4	MOTOR VEHICLE	68249.00	G.O No 3820 /H&UD Dt-06.02.15	269/22.11.17
5	MOTOR VEHICLE	333094.00	G.O No 5203 /H&UD Dt-25.02.16	225/13.10.17
6	MOTOR VEHICLE	492972.00	G.O No 24517/H&UD Dt-19.10.16	225/13.10.17
7	MOTOR VEHICLE	431605.00	G.O No 20029/H&UD Dt-07.08.15	125/05.07.17
8	MOTOR VEHICLE	10333.00	G.O No 5203/H&UD Dt-25.02.16	125/05.07.17
9	CC ROAD GRANT	532002.00	G.O No 14514/H&UD Dt-22.04.13	125/05.07.17
10	MAINTENANCE OF ROADS & BRIDGES.	259049.00	G.O No 3682 /H&UD Dt-12.02.14	271/22.11.17
11	MAINTENANCE OF ROADS & BRIDGES.	592171.00	G.O No 31853 /H&UD Dt-11.12.15	271/22.11.17

12	MAINTENANCE OF ROADS & BRIDGES.	1613042.00	G.O No 969 /H&UD Dt-13.01.17	271/22.11.17
13	MAINTENANCE OF ROADS & BRIDGES.	295178.00	G.O No 3682/H&UD Dt-12.02.14	127/05.07.17
14	MAINTENANCE OF ROADS & BRIDGES.	94723.00	G.O No 4751/H&UD Dt-12.02.15	127/05.07.17
15	MAINTENANCE OF ROADS & BRIDGES.	754670.00	G.O No 31853/H&UD Dt-11.12.15	127/05.07.17
16	CREATION OF CAPITAL ASSETS	960000.00	G.O No 5230 /H&UD Dt-25.02.16	271/22.11.17
17	CREATION OF CAPITAL ASSETS	480000.00	G.O No 26530 /H&UD Dt-11.11.16	271/22.11.17
18	CREATION OF CAPITAL ASSETS	454064.00	G.O No 2775 /H&UD Dt-06.02.17	271/22.11.17
19	OCTROI	1747033.00	G.O No 16216/H&UD Dt-04.07.16	227/13.10.17
20	OCTROI	4174000.00	G.O No 26525/H&UD Dt-11.11.16	227/13.10.17
21	OCTROI	4011000.00	G.O No 4222/H&UD Dt-23.02.17	227/13.10.17
22	OCTROI	164000.00	G.O No 7522/H&UD Dt-30.03.17	227/13.10.17
23	14th FC	14102.00	G.O No 17980 /H&UD Dt-25.07.16	267/22.11.17
24	14th FC	2521001	G.O No 30184 /H&UD Dt-26.12.16	267/22.11.17
25	14th FC	589461	G.O No 19466 /H&UD Dt-03.08.15	225/13.10.17
26	14th FC	3093898.00	G.O No 17980 /H&UD Dt-25.07.16	225/13.10.17
27	14th FC	186592.00	G.O No 19466 /H&UD Dt-03.08.15	121/05.07.17
28	14th FC	1200000.00	G.O No 17980/H&UD Dt-25.07.16	121/05.07.17
29	ARREAR PENSION & BASIC SERVICE	897988.00	G.O No 4342 /H&UD Dt-20.02.16	269/22.11.17
30	ARREAR PENSION & BASIC SERVICE	215629.00	G.O No 6077 /H&UD Dt-17.03.17	269/22.11.17
31	ARREAR PENSION & BASIC SERVICE	369757.00	G.O No 20550 /H&UD Dt-07.09.17	269/22.11.17
32	ARREAR PENSION & BASIC SERVICE	1113617.00	G.O No 4342 /H&UD Dt-20.02.16	225/13.10.17
33	ARREAR PENSION & BASIC SERVICE	3083202.00	G.O No 4342 /H&UD Dt-20.02.16	123/05.07.17
34	ARREAR PENSION & BASIC SERVICE	4000000.00	G.O No 29625/H&UD Dt-19.12.16	123/05.07.17
35	ARREAR PENSION & BASIC SERVICE	756856.00	G.O No 6077/H&UD Dt-17.03.17	123/05.07.17
36	ROAD DEVELOPMENT	170493.00	G.O No 29189 /H&UD Dt-13.12.16	267/22.11.17
37	ROAD DEVELOPMENT	277778.00	G.O No 29192 /H&UD Dt-13.12.16	267/22.11.17
38	ROAD DEVELOPMENT	224444.00	G.O No 3278 /H&UD Dt-10.02.17	267/22.11.17
39	ROAD DEVELOPMENT	167778.00	G.O No 3281 /H&UD Dt-10.02.17	267/22.11.17
40	ROAD DEVELOPMENT	621111.00	G.O No 3284 /H&UD Dt-10.02.17	267/22.11.17
41	ROAD DEVELOPMENT	381732.00	G.O No 4358 /H&UD Dt-20.02.16	225/13.10.17
42	ROAD DEVELOPMENT	48580.00	G.O No 29168 /H&UD	225/13.10.17

			Dt-13.12.16	
43	ROAD DEVELOPMENT	201729.00	G.O No 29189 /H&UD Dt-13.12.16	225/13.10.17
44	ROAD DEVELOPMENT	63330.00	G.O No 4352/H&UD Dt-20.02.16	119/05.07.17
45	ROAD DEVELOPMENT	137778.00	G.O No 4355/H&UD Dt-20.02.16	119/05.07.17
46	ROAD DEVELOPMENT	95177.00	G.O No 4358/H&UD Dt-20.02.16	119/05.07.17
47	ROAD DEVELOPMENT	982531.00	G.O No 29168/H&UD Dt-13.12.16	119/05.07.17
48	DEVOLUTION FUND	172310.00	G.O No 5275 /H&UD Dt-25.02.16	269/22.11.17
49	DEVOLUTION FUND	617759.00	G.O No 19939 /H&UD Dt-17.06.13	269/22.11.17
50	DEVOLUTION FUND	495810.00	G.O No 22518 /H&UD Dt-11.11.14	225/13.10.17
51	DEVOLUTION FUND	1943517.00	G.O No 20045 /H&UD Dt-07.08.15	225/13.10.17
52	DEVOLUTION FUND	858259.00	G.O No 5275 /H&UD Dt-25.02.16	225/13.10.17
53	DEVOLUTION FUND	1698039.00	G.O No 16234 /H&UD Dt-04.07.16	225/13.10.17
54	DEVOLUTION FUND	3082241.00	G.O No 19939 /H&UD Dt-17.06.13	129/05.07.17
55	DEVOLUTION FUND	1459571.00	G.O No 22518/H&UD Dt-11.11.14	129/05.07.17
56	DEVOLUTION FUND	1110483.00	G.O No 20045/H&UD Dt-07.08.15	129/05.07.17
57	NFBS	500000.00	G.O No 722/SS Dt-20.05.17	1498/11.12.17
58	NFBS	160000.00	G.O No 1192/SS Dt-08.08.17	1498/11.12.17
59	NFBS	100000.00	G.O No 641/SS Dt-02.07.16	348/05.04.17
60	NFBS	120000.00	G.O No 1230/SS Dt-20.10.16	348/05.04.17
61	NULM	1270000.00	G.O No 16425 /H&UD Dt-21.07.17	17/16.01.18
62	NULM	187800.00	G.O No 16424 /H&UD Dt-21.07.17	285/18.12.17
63	HARISCHANDRA SAHAYATA	150000.00	Online Transfer	136/06.02.18
64	HARISCHANDRA SAHAYATA	100000.00	Online Transfer	1037/15.09.17
65	HARISCHANDRA SAHAYATA	50000.00	CH.NO.054538 dt.16.05.17	821/07.07.17
GRAND TOTAL :-		53977077.00		

PARA-10.2 -YEAR WISE BREAK-UP OF PENDING U.C.

Due to non-maintenance of register on grants on various schemes and in absence of maintenance of register of U.C. the year-wise break up of unutilized grants and outstanding U.C. thereof could not be traced out properly. However the same has been worked out basing upon the data incorporated in the last and previous audit reports, and reference from the records and registers as could be made available to audit and furnished below.

FINANCIAL YEAR	UC PENDING AS ON 31.3.2018
Upto 09-10	55133193
2010-11	38439889
2011-12	16563657

2012-13	19553406
2013-14	-2183577
2014-15	14502619
2015-16	-17427519
2016-17	25362092
2017-18	38411605
Total	188355365

The E.O. is however advised to maintain the U.C. register being recorded the d entries therein forthwith and produce to next audit for record of necessary information.

The local authority replied "Steps will be taken for fully Submission of U.C." in the interim compliance .During Exit conference the Local Authority has assured to submit the UC.

PARA: 11 MISAPPROPRIATION & DEFALCATION

11.1 -

EXCESS PAYMENT SHOWN IN MBPY OAP,IGNWP.& IGNOAP

During checking of OAP/NOAP/ODP/IGNOAP acquaintance for the financial year 2017-18 it was found that a sum of Rs. 14300.00(ward no 1 to 5), Rs. 15300.00(ward no 6 to 10) & Rs. 574500.00 (ward no 11 to 15) has been shown in excess then the actual disbursement as detailed below.

1. Ward no 1. to 5

Ward No	Feb-17	Mar-17	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan-18	Feb-18	Total	Responsible person who disbursed the excess amount
WARD 1	1500	45600	38100	38100	37800	37800	37800	38100	37800	39000	38700	39900	34200	464700	Sri Haladhar Dehury, ATC
WARD 2	900	63600	62100	56700	56400	56100	55800	55500	55500	57000	55200	54300	42000	670800	
WARD 3	0	81600	81000	75300	75300	75000	74700	74400	74100	75900	74100	74700	63900	900000	
WARD 4	0	29100	31800	26100	26400	25800	25500	26700	25500	26100	27000	25800	24300	320100	
WARD 5	0	45900	39900	40500	39900	39900	39300	39300	39000	40200	38100	38400	33900	474300	
80 YEARS 1 TO 5	0	500	31500	53500	26500	26500	25800	25000	23500	23000	22500	27500	28200	314000	
Total as per ACQUITTANCE PRODUCED	2400	266300	284400	290200	262300	261100	258900	259000	255400	261200	255600	260600	226500	3143900	
Total as per Cash Book		261200	269800	267700	270900	236300	260000	268000	257300	274100	268100	260600	264200	3158200	
DIFFERENCE	-2400	-5100	-14600	-22500	8600	-24800	1100	9000	1900	12900	12500	0	37700	14300	

2. Ward No 5 to 6

Sl.No	Ward No	Feb-17	Mar-17	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan-18	Feb-18	Total	Responsible person who disbursed the excess amount
1	WARD 6	0	42800	33800	33300	33000	33000	32700	32700	32700	32700	32100	30000	24000	392800	Sri Mitu Naik, ATC
2	WARD 7	0	49400	42200	40200	39900	39900	39300	39300	39000	40200	38700	38400	33600	480100	
3	ODP	800	137200	147700	125900	126100	125600	126000	131900	125500	125400	125400	124900	110800	1533200	

4	WARD 8	0	53400	44400	43500	43500	43200	42600	42600	42600	43800	42000	42000	36900	520500
5	WARD 9	0	41100	34500	36000	35100	35100	35100	35100	34500	36900	34200	35100	31200	423900
6	WARD 10	600	46200	42000	41400	41100	40500	40500	40500	40500	40500	39600	39300	34800	487500
	80 years 6 to 10	0	21500	17500	16500	16500	16500	16500	16500	16500	16500	18000	27500	26500	226500
	Total As per Audit	1400	391600	362100	336800	335200	333800	332700	338600	331300	336000	330000	337200	297800	4064500
	Total As per Register		359800	335000	335800	343100	331700	338400	340000	345600	339900	343500	334400	332600	4079800
	DIFFERENCE	-1400	-31800	-27100	-1000	7900	-2100	5700	1400	14300	3900	13500	-2800	34800	15300

3. Ward No. 11 to 15

Sl.No	Ward No	Feb-17	Mar-17	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan-18	Feb-18	Total	Responsible person who disbursed the excess amount
1	WARD 11	5400	37200	36900	36600	36600	36300	36300	36900	36900	36900	36900	34800	32100	439800	Sri Satyabrata Sahoo, ATC
2	WARD 12	2400	38100	38100	38100	37800	37800	37800	37800	37800	37500	39000	37800	36300	456300	
3	WARD 13	1800	42900	42900	42600	42600	42600	42600	42600	42600	42600	43500	42300	41400	513000	
4	WARD 14	4200	45300	45000	44400	44400	44100	43800	43800	43500	43200	44400	42900	36600	525600	
5	WARD 15	6300	48900	46500	46500	46200	45900	45900	45900	45900	45600	47400	46200	39300	556500	
6	80 YEARS 11TO15	500	16500	16500	14500	14000	14000	14000	14000	14000	14000	13000	23000	21500	189500	
	Total As per Audit	20600	228900	225900	222700	221600	220700	220400	221000	220700	219800	224200	227000	207200	2680700	
	Total As per Register		258700	258800	259100	259400	279800	276500	279600	278400	289400	266000	273300	276200	3255200	
	DIFFERENCE	-20600	29800	32900	36400	37800	59100	56100	58600	57700	69600	41800	46300	69000	574500	

Regarding the above excess disbursement towards OAP/NOAP/ODP/IGNOAP , an objection memo was issued vide page no19 to 24. In response to the objection memo the local authority replied that the same will be recovered from the person concerned.

However,if the said amount will not be recovered , the following persons will be responsible for the excess disbursement.

- 1.Sri Haladhara Dehury,ATC Rs.14300/-
- 2.Sri Mitu Naik,ATC Rs.15300/-
- 3.Sri Satyabrata Sahu,ATC Rs. 574500/-

The local authority replied "Steps will be taken to adjust from the person concerned" in the interim compliance. Hence the para stands on its own merit and till deposit the amount Rs.604100.00 is treated as misappropriation and suggested for recovery with immediate effect.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Sri Haladhar Dehury,ATC	ATC	Bhuban NAC,Bhuban, Dist-Dhenkanal	14300
2	Sri Mitu Naik, ATC	ATC	Bhuban NAC,Bhuban, Dist-Dhenkanal	15300
3	Sri Satyabrata Sahoo, ATC	ATC	Bhuban NAC,Bhuban, Dist-Dhenkanal	574500

PARA: 12 LOSS OF STOCK & STORE

12.1 -
No Loss of stock and store cases are detected from the verified records during the period of audit.

PARA: 13 AUDIT OF RECEIPTS

13.1 - ASSESSMENT OF STATUTORY TAXES FROM THE HOUSEHOLDS OF THE NAC
<p>The assessment of taxes is generally fixed by the valuation deptt. Basing on the value of holding tax, lighting tax, water tax etc. Usually collected at the rate as specified by the Govt. in H & UD Deptt. and subsequently approved by the concerned council . During the course of audit ,it was observed that the collection of taxes was made as per the annual value of the holding prepared and approved by the valuation authority during the financial year 1998-99 and was effective w.e.f 1.4.2007 . But the new valuation has been made effective by the council during the financial year 2010-11. During the year under audit the tax was collected @ of 10% of the modified annual value of the holding assessed during the financial year 2010-11.</p> <p>Rate of Taxes collected during 2017-18.</p> <p>1-Holding tax @ 6% of annual value.</p> <p>2-Light tax @ 2% of annual value.</p> <p>3-Water tax @ 2% of annual value.</p>
13.2 - NON-ASSESSMENT OF TAXES ON NEW HOLDINGS.
<p>During verification it was observed that neither any assessment of taxes towards new holdings was made, nor the same tax was included in the current Demand of Holding Taxes for the year 2017-18. It may be pointed out here that during the last three decades various beneficial schemes have been introduced and implemented by the Govt. throughout the State for upliftment of livelihood of the urban people. The people of the urban area have been also got utility thereon and in the mean time they have standardized their living condition. As a result several buildings have been constructed newly in town under jurisdiction of the Bhuban NAC area in each and every year, but it is a matter of great concern that not a single amount was found to be assessed on such new holdings during the year covered under audit for augmentation of statutory revenue of the NAC.</p> <p>Hence the attention of the NAC Authority is invited in this regard to take an effective measure to impose the taxes on such newly constructed</p>

buildings by mobilizing the NAC staff for better interest of the NAC and fact reported to audit

PARA-13.2.1. NON-MAINTENANCE OF BUILDING PLAN REGISTER.

The building plan register of the NAC for the year 2017-18 was not maintained in accordance with the Rule-525 & 526 of OM Rules-1953. As such the position of building permitted for new construction, addition and alteration to the old and existing buildings could not be ascertained.

Hence proper maintenance of said register need be ensure forthwith and compliance reported to audit.

The local authority replied "Steps will be taken as per instruction of the audit." in the interim compliance .During Exit conference the Local Authority is advised to take sincere steps in this regard to avoid such irregularity

13.3 - DCB POSITION OF TAXES

It is worthwhile to mention here that maintenance of D C B register of statutory taxes is mandatory as per Rule-176 of Odisha municipal Rule-1953. In absence of maintenance of Demand ,Collection, and Balance register of Statutory Taxes of the N.A.C. the position of collection & balance of different taxes could not be worked out properly and furnished the same in the report. However the same has been worked out basing upon the figures and data of the records and registers as could be made available to audit and furnished below. It is worthwhile to mention here that maintenance of D C B register of statutory taxes is mandatory as per Rule-176 of Odisha municipal Rule -1953. .It would be revealed from the above position of taxes that the percentage of collection is very poor in comparison to the amount of Demand for the year 2017-18.

Hence the local authority is advised to take sincere and effective steps for increase the rate of collection of statutory revenue of the NAC. In this context it may be pointed out that the local authority should adopt some innovative and encouraging methods to speed up the collection of taxes. Besides the system of reward and punishment should be introduced as and when required as provided under Odisha Municipal Rules for a better achievement in state of collection.

	DEMAND			COLLECTION			BALANCE		
	ARREAR	CURRENT	TOTAL	ARREAR	CURRENT	TOTAL	ARREAR	CURRENT	TOTAL
HOLDING	163792.87	510734.50	674527.37	0.00	231907.00	231907.00	163792.87	278827.50	442620.37
LIGHT	603538.78	170244.80	773783.58	0.00	82041.00	82041.00	603538.78	88203.80	691742.58
WATER	477914.00	170244.00	648158.00	0.00	78309.00	78309.00	477914.00	91935.00	569849.00
TOTAL	1245245.65	851223.30	2096468.95	0.00	392257.00	392257.00	1245245.65	458966.30	1704211.95

YEAR WISE BREAK UP OF OUTSTANDING TAXES

Year	Holding	Light	Water	Total
Upto 1999-2000	221845.37	147485.38	102158.97	471489.72
2000-01	12484	5044	6399	23927.00
2001-02	12051	4862	5850	22763.00
2002-03	24208	8297	9928	42433.00

2003-04	36943	13477	13786	64206.00
2004-05	25788	10071	4664	40523.00
2005-06	41980	11807	14839	68626.00
2006-07	43946	19825	16184	79955.00
2007-08	9162	0	8123	17285.00
2008-09	10902		8162	19064.00
2009-10	13422		9453	22875.00
2010-11	42082	15595	15756	73433.00
2011-12	79775	19362	16384	115521.00
2012-13	73730	27244	27410	128384.00
2013-14	16133	8163	7599	31895.00
2014-15	271397.5	87170.8	87289.8	445858.10
2015-16	371051.5	123993.8	123928.8	618974.10
2016-17	324897.5	101141.8	109217.8	535257.10
	278827.5	88203.8	91935	458966.30
Total	1910625.37	691742.58	679067.37	3281435.32

Due to lack of proper maintenance D C B register the accurate position of year-wise break up of outstanding taxes could not be traced out properly for the report. However the same has been worked out basing upon the data of last audit reports and figures from the records and registers, as could be made available to audit and furnished below.

Sl No	Year	Holding	Light	Water
1	Upto 1999-2000	221845.37	147485.38	102158.97
2	2000-01	12484.00	5044.00	6399.00
3	2001-02	12051.00	4862.00	5850.00
4	2002-03	24208.00	8297.00	9928.00
5	2003-04	36943.00	13477.00	13786.00
6	2004-05	25788.00	10071.00	4664.00
7	2005-06	41980.00	11807.00	14839.00
8	2006-07	43946.00	19825.00	16184.00
9	2007-08	9162.00	0.00	8123.00
10	2008-09	10902.00		8162.00
11	2009-10	13422.00		9453.00
12	2010-11	42082.00	15595.00	15756.00
13	2011-12	79775.00	19362.00	16384.00
14	2012-13	73730.00	27244.00	27410.00
15	2013-14	16133.00	8163.00	7599.00
16	2014-15	271397.50	87170.80	87289.80
17	2015-16	371051.50	123993.80	123928.80
18	2016-17	324897.50	101141.80	109217.80
19	2017-18	278827.50	88203.80	91935.00

Total	1910625.37	691742.58	679067.37
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PARA-13.4- DCB POSITION OF MARKET COMPLEX.

In absence of maintenance of Demand ,Collection, and Balance register of Rent on market complex the N.A.C. the position of collection & balance of market complex taxes for the financial year 2017-18 could not be worked out properly and furnished the same in the report.

However the same has been worked out basing upon the data incorporated in the records and registers as could be made available to audit and furnished below.

	Demand			Collection			Balance		
	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
Market Complex	23896	64902	88798	23896	64902	88798	0	0	0

However the attentions of the NAC Authorities are invited in this regard to do the need full for proper maintenance of the above register for better interest of the NAC .

PARA-13.5- AVOIDABLE LOSS DUE TO NON-COLLECTION OF USERS FEES.

As per Housing and Urban Development Department (HUDD) instructions (12/08) all ULB shall take necessary steps for door to door collection of solid waste in every ward of ULB in phased manner stating from 1/09 .Further in gazette notification of 7/12, HUDD reiterated that it was mandatory for the ULB to collect user fee from the house holds . As per above notification Rs.10 to 20 per month for each house hold could be charged by ULB authority for collection of garbage and solid waste from door to door .

Checking of records of the NAC reveals that door to door collection of garbage/solid waste of the 15 nos of wards with 4251 house holds under the NAC was out sourced during the year 2017-18 and a total sum of Rs.4403161.00 was spent for the purpose. But it was found that the NAC had not taken any steps to levy user fee from the house hold in contraventions to the above notifications. Due to non imposition of user charges by the NAC there was a loss of revenue in shape of users fee amounting to Rs.42510.00(4251x10/H.H) per Month and thus Rs.637650.00(42510x15) of the NAC.

Despite issue of advise in last audit report the Council of the NAC has not taken any steps to collect the users fee for increase of financial condition of the NAC. Once again the local authority is advised to take necessary step in this regard and compliance report to the audit.

PARA-13.6-NON ASSESSMENT OF TRADE LICENSE LEADING TO LOSS OF REVENUE OF THE NAC

Trade license is one of the significant sources of revenue of the ULBs required to augment the financial independence of the ULBs . Scrutiny of records of the NAC for the year 2017-18 revealed that the ULB had not assessed the scope of earning from the collection of license fee from The traders categorizing the big business houses like Hotels and small and seasonal traders like tea / betel shops and fire works/colours stalls etc.

Further ,as per odisha gazette No.11318- Legis- 3-2012/HUD dated 27 April 2012 and published by housing and urban Development Department ,All Urban local bodies should conduct a comprehensive survey to identify street vendors within their area and the natural markets developed over the year through street vendors. A town vending committee should be constituted and registration of the vendors should be made. The registration fee should be nominal .The vendors would be charged a monthly fee for access to various services.

There should be direct linking between the ULBS and hawkers for collection of registration fee monthly maintenance charges /differentiated according to location /type of business and fines.

Audit found that no such steps had been taken by the NAC on the above ground to collect revenue for augmentation financial status of the Council. Hence early action may be taken in this regard without loss of time

Despite issue of advise in last audit the Council of the NAC has not taken any steps So the local authority is advised to take necessary step in this regard and compliance report to the audit.

PARA-13.7 - TIME BARRED DUES.

As per Section 346 of the Odisha Municipal Act, 1950, no distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any sum due to a municipality under this Act, after the expiration of a period of three years from the date on which distraint might first have been made, a suit might first have been instituted, or prosecution might first have been commenced, as the case may be, in respect of such sum. And as per Section Section 346 the tax dues become time-barred after a lapse of nearly 3 years and 9 months from the date it became due and the tax section is responsible for maintenance of progress statement for collection in Form N so as to adopt measures for the collection of arrear dues (U/R 200). The E.O. has also similar responsibility to conduct periodic review and take action for realisation of arrears (U/R 201). So the details of register pertaining to time barred dues and year wise break up of outstanding of is to be furnished for last 10 years .It would be revealed from the year-wise break up of outstanding taxes, as furnished in table vide para-13.3. of the report that a total sum of Rs.31895.00 was barred by limitation due to non-collection of arrear outstanding dues of holding taxes pertaining to the year of 2013-14 in time as per Section-346 of OM Act-1950,. Due to lack of vigilance and effectiveness of the Local authority the no follow up actions for collection of such outstanding arrear dues of Rs.31895.00 were taken in due course. As a result the amount has become barred by limitation and ultimately the NAC sustained the loss. Since no legal action is possible at this stage, tangible steps should be taken by the NAC Authorities to realize the outstanding dues of taxes relating to the above year by amicable means .The details of such taxes relating to the financial year 2013-14 are mentioned below. and for such loss Sri Jamini Kanta Swain,EO is responsible for respective periods.

Year wise break up of outstanding taxes.

Sl.No.	year	Holding	Light	water	Total
1	2013-14	16133.00	8163.00	7599.00	31895.00

PARA-13.8- LAW SUITS.

During the financial year 2017-18, no law suits were initiated against the defaulters by the local authority to facilitate the collection of outstanding taxes of the NAC. Due to non-adoption of such procedure the defaulting tax payers were encouraged to remain callousness about payment of outstanding taxes of the NAC. Hence the E.O is advised to initiate legal suits against the defaulters henceforth, and a register of law suits may be maintained to watch the position of cases in order to increase the collection of statutory revenue and taxes.

The local authority replied "Steps will be taken as per instruction of the audit." in the interim compliance .During Exit conference the Local Authority is advised to take sincere steps in this regard to avoid such irregularity and a sum of Rs. 31895/- is suggested for recovery and compliance to audit.

Person(s) Responsible for this paragraph

Sno	Name	Designation	Adress	Amount(In Rs:)
1	Sri Jamini Kanta Swain	E.O.	A permanent staff of Odisha State Financial Corporation, OMP Square, Cuttack Presently serving as Branch Manager Odisha State Financial corporation, Balasore, Dist- Balasore	31895

PARA: 14 AUDIT OF EXPENDITURE

14.1 - INADMISSIBLE EXPENDITURE MADE FOR JOURNEY IN HIRED VEHICLE BY THE EXECUTIVE OFFICER

During verification of transactions made in payment side of accountant cash book it is revealed that a total sum of Rs.46570.00 as noted below has been spent for performances of tours by the Executive Officer on hired vehicle.

Voucher No	Date	Date of Journey	Vehicle No.	Who Travelled	Purpose of Journey	KM travelled	Amount paid
PV/16	13.4.2017	23.3.2017	ORO5-H27 58	EO & ACCOUNTANT	Attend the Meeting at Dhenkanal	140	1050
PV/17	13.4.2017	31.3.2017	ORO5-H27 58	EO,CO,MIS&JE	Attend video conference at PD,DRDA Dhenkanal	140	1050
PV/127	27.5.2017	19.5.2017	ORO5-H27 58	EO,JE,ACCOUNTANT,MIS &CO	Attended cluster review meeting at Anugul via Dhenkanal	270	2430
PV/128	25.5.2017	20.5.2017	ODO5-G21 82	EO	Attended disaster management meeting	140	1050
PV/129	27.5.2017	23.5.2017	ODO5-G21 82	EO	Attended NFSA meeting at DRDA Dhenkanal	140	1050
PV/130	27.5.2017	24.5.2017	ODO2-C-2 355	ACCOUNTANT	To bring Specimen Signature of New Collector & New PD Dhenkanal	150	1125
PV/186	29.6.2017	13.6.2017	OD05E-57 68	EO	To attend Electoral review meeting PDDRDA at Dhenkanal	0.16	1200
PV/187	29.6.2017	23.6.2017	OD05E-57 68	EO&ACCOUNTANT	Attended IFMSA training at DTI ,Bhubaneswar	280	2100
PV/188	29.6.2017	28.6.2017	OD05E-57 68	EO	Attended the review meeting at Dhenkanal & meet SDM,Kamakshanagar	160	1200
PV/189	26.9.2017	9.6.2017	OD05E-57 68	EO	Attended the meeting at Dhenkanal	140	1050

PV/363	26.9.2017	7.9.2017	OR06A-52 66	EO	Attended the video conference for current election	90	765
PV/362	26.9.2017	22.8.2017	OR06A-52 66	EO	To meet sub-collector regarding evication at Dhenkanal	70	595
PV/364	26.9.2017	20.8.2017	OR06A-52 66	EO	Attended election meeting at Dhenkna	90	765
PV/365	26.9.2017	18.8.2017	OR06A-52 66	EO&ACCOUNTANT	Attended meeting at PDDRDA	100	850
PV/366	26.9.2017	22.8.2017	OR06A-52 66	EO&JE	Attended court at kamakshanagar for witness	70	595
PV/367	26.9.2017	24.8.2017	OD02H-18 75	EO	To bring Computer from BBSR	260	2470
PV/368	26.9.2017	31.8.2017	OR06A-52 66	EO	Attended the Civil court at Kamakshanagar	70	595
PV/369	26.9.2017	4.9.2017	OR06A-52 66	EO	Review meeting at PDDRDA,Dhenkanal	90	765
PV/370	26.9.2017	16.9.2017	OR06A-52 66	EO	Attended video conference at Dhenkanal	140	1190
PV/481	6.12.2017	30.11.2017	OR02X-27 58	EO&JE	Review meeting at PDDRDA,Dhenkanal	120	900
PV/482	6.12.2017	20.11.2017	OR02X-27 58	EO	Attended meeting at collectorate ,Dhenkanal	120	900
PV/483	6.12.2017	16.11.2017	OR02X-27 58	EO	Attended meeting at collectorate ,Dhenkanal	120	900
PV/484	6.12.2017	10.11.2017	OR02X-27 58	EO,JE&ACCOUNTANT	Attended meeting at collectorate ,Dhenkanal	120	900
PV/485	6.12.2017	8.11.2017	OR02X-27 58	EO	Meeting at RDC,cuttack	220	1650
PV/486	6.12.2017	24.10.2017	OR02X-27 58	EO	Meeting at H&UD at Bhubaneswar	260	1950
PV/541	28.12.2017	13.12.2017	OR02X-27	EO& D,A	Audit review meeting at	120	900

			58	(ESTT)&ACCOUNTANT	Dhenkanal		
PV/542	28.12.2017	7.12.2017	OR02X-27 58	EO	To submit the cheque of revolving fund at PDDRDA,Cuttack	120	900
PV/572	11.1.2018	1.1.2018	OR02X-27 58	EO	To meet and give New Year Gift to SDM,Dist.Labour officer,Minister,Secretary level officers	300	2250
PV/573	11.1.2018.	30.12.2017	OR02X-27 58	EO	Attended election meeting at Dhenkanal	140	1050
PV/608	6.2.2018	12.1.2018	OR02X-27 58	EO	Attended training of PMAY scheme at BBSR	300	2250
PV/609	6.2.2018	27.1.2018	OR02X-27 58	EO	Training at Gopabandhu Academy at BBSR	300	2250
PV/610	6.2.2018	2.2.2018	OR02X-27 58	EO	Attended disaster management meeting, at dhenkanal	90	675
PV/646	27.2.2018	16.2.2018	OR02X-27 58	EO	Attended DPM meeting at PDDRDA, Dhenkanal	120	900
PV/647	27.2.2018	17.2.2018	OR02X-27 58	EO	Attended the slum review meeting at PDDRDA,Dhenkanal	120	900
PV/648	27.2.2018	19.2.2018	OR02X-27 58	EO	Attended the election meeting and submitted notification copy of Municipality Election	120	900
PV/649	27.2.2018	20.2.2018	OR02X-27 58	EO	Attended the election meeting and submitted notification copy of Municipality Election	120	900

PV/718	31.3.2018	20.3.2018	OR02E-58 27	EO	Attended the video conference at OSWAN ,dhenkanal	120	900
PV/719	31.3.2018	7.3.2018	OR02X-27 58	EO'	To submi objection hearing notice of councilors of Bhuban NAC to collector Dhenkanal	120	900
PV/720	31.3.2018	8.3.2018	OR02X-27 58	EO'	To attend the election objection hearing at collector , Dhenkanal	120	900
PV/721	31.3.2018	14.3.2018	OR02X-27 58	EO	Attend Heat wave meeting at collectorate dhenkanal	120	900
TOTAL							46570

On scrutiny the relevant vouchers of hired vehicles it was observed that the journeys were made by the E.O. specifically to attend the meetings held at District and State Head Quarter offices. In this connection it may be pointed out hire that as per the directive issued by the Govt. in H & UD Department vide this Lt. No. 56(102)/HUD/ Dt. 01.02.2014 the E.Os are instructed not to use hired vehicles to attend such meetings as and when they are called for. They are instructed to travel by the public transport as per Rule, 53 of OTA Rules.

But in contravention to the above directive the E.O. has performed his tours frequently by hired vehicle. On query it was observed that the council has no consent to incur such type of tours in hired vehicle by the E.O. as their internal source of income is very negligible.

In this regard an objection was issued vide page no 9 to 14. In response to the objection memo the local authority has replied that "Now days the corresponding has been changed. The collector of dhenkanal is holding emergency meeting of different times especially and 2nd hour probably 4 PM on wards .At such time the public passenger vehicle is not available. so we have no alternative to choose for a hire vehicle. Almost in all cases the tour are made by the EO along with subordinate staff for attaining the office meeting. Hence , the matter may be considered "

The reply of the Executive Officer is not adequate to audit and Hence keeping in view of above Rs.46570.00 is treated as in admissible expenditure made by the E.O. which suggested for recovery.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Sri Jamini Kanta Swain	E.O.	A permanent staff of Odisha State Financial Corporation, OMP Square, Cuttack Presently serving as Branch Manager Odisha State Financial corporation, Balasore, Dist- Balasore	46570

14.2 - NON -REALISATION OF FLAT RATE FROM SALARY BILL OF THE EXECUTIVE OFFICER

Please refer to Odisha service code chapter X on license fee (Rent recoverable from Govt. accommodation) vide letter No. Esst. Gen. 30/98-7637/Rent dt.18.09.98 and No. CS -IV 28/98-394/F dt.04.01.99 and OM No. 6773/F dt.1.11.2008 (Revision of licence fee) and 51758-CS-IV-2/2010 Dt.15.12.2010 (Fixation of Licecnce fee) of Finace Deptt.

In reference to the last audit report it is found that a ear marked quarter for the executive officer ,but gone through the acquttance register of the EO it is seen that the EO never drawn any house rent during the Fianancial year 2017-18, it prevails the ear marked quarter has been allotted to the EO's

As per the above guide line flat rate licence fee @410/month to be deducted from the monthly salary it was found that no amount towards license fee (flat rent) was realized from the monthly salary bill of the E.O. during the year covered under audit, although he resided in earmarked quarter .

So the local authority is asked to reply a sum of Rs.410/monthly will not be suggested for recovery from the EO.s for respective period.

1-Sri Jaminikanta Swain EO Rs.410 x 12months = 4920.00

In this regard an objection memo was issued vide pageno. 17 . In response to the objection memo the local authority replied tat " the matter has been placed and approved on the council meeting not to deduct house rent due to 3/4th of quarters is used by the office towards Godown.Hence para may be dropped ";

The reply of the local authority is not good enough to comply the audit objection. Even the GB resolution was not produced before the audit.So a sum of Rs.4920.00 will be suggested for recovery from the EO.s from 1.4.2017 to 31.3.2018.

Person(s) Responsible for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Sri Jamini Kanta Swain	E.O.	A permanent staff of Odisha State Financial Corporation, OMP Square, Cuttack Presently serving as Branch Manager Odisha State Financial corporation, Balasore, Dist- Balasore	4920

14.3 - LESS REALIZATION OF PROFESSIONAL TAX FROM SALAY BILL OF EMPLOYEEES.

In course of checking of Pay acquaintance roll of all staff it is found that less Professional Tax has been deducted from Salary though it was due for deduction. The details of such less deduction of Professional Tax have been furnished below.

Sl.No.	Name of the employee	Designation	Period	Gross Salary per month	Profession Tax due	Profession Tax deducted	Less deduction
1	Satyabrata Sahoo,	ATC	1.4.2017 to 31.3.2018=12months	27028.00	2500	1500	1000
2	Rabindra Ku.Behera,	ATC	1.4.2017 to 31.3.2018=12 months	27028.00	2500	1500	1000
3	Jugal Kishore Prusty,	ATC	1.4.2017 to 31.3.2018=12	27028.00	2500	1500	1000

			months				
4	Haldhar Dehury,	ATC	1.4.2017 to 31.3.2018=12months	26619.00	2500	1500	1000
5	Smt.Kanak Nayak	Sweeper	1.4.2017 to 31.3.2018	27028	2500	1500	1000
6	Sanjeeb Jena, Sweepr	Sweeper	1.4.2017 to 31.3.2018	27028	2500	1500	1000
			Total				6000.00

In this regard an objection memo was issued vide page no. 15&16 . In response to the objection memo the local authority replied that the above amount of Rs6000.00 will be recovered from the person concerned.

In absence of recovery following persons are held equally responsible.

1. Sri Jaminikanta Swain, E.O Rs. 3000.00
2. Sri Pranakrushan Ojha, Jr. assistant. 3000.00

The local authority replied "Steps will be taken to collect the professional tax from the concern staff except Rs. 1000/- has been recovered from Sri Satyabrata Sahoo (ATC) vide MR No-5707 dated 04.09.2018" in the interim compliance .During Exit conference the recovery of Rs. 1000/- was verified to this effect. Hence instead of Rs.6000/- a sum of Rs. 5000/- is suggested for recovery. The EO is advise to recover the same under compliance to audit with immediate effect. Till recovery a sum of Rs, 5000/- is suggested for recovery from the following responsible official.

1. Sri Jaminikanta Swain, E.O Rs. 2500.00
2. Sri Pranakrushan Ojha, Jr. assistant. 2500.00

PARA: 15 AUDIT ON WORKS

15.1 - ECESS PAYMENT TOWARDS SPREADING OF MOORUM BY WAY OF MEASUREMENT.	
NAME OF THE PROJECT.	IMPROVEMENT OF ROAD FROM CHINARA POKHARI TO HINGULA ROAD IN W.NO.13
Head of A/C	HARD CASE 2010-11
CR No	525/8.5.2017
Vr.No.	162/12.6.2017
M.B. No.	150/ P-42 TO 52
Estimate Cost	RS. 300000.00
Executant	Sibaram Behera
JE	Surendra Nath Sahoo
AE	Rasmita Mishra,

Accountant	Predeen Nath
E.O.	Jaminikanta Swain.

On scrutiny of the above case record with respect to M.B. 150/(P 42 t 52) . It is found that this is a new formation of road with metal and moorum. The road was flank dress with width of 6 mtr in average upon which gravel with admitting sand was spreaded to a height 1.5 mtr and with a width of 5 mtr. The metal of size 9mm to 45mm were spreaded to a height of 0.1 mtr to 1.5mtr and a variable width 3.8 to 4.8 mtr in 5 span . So from the above it is observed that this height of the site berm of this road with a compact measurement Can be 1 mtr to 1.5 mtr .Because the height of the metal formation is 0.1 mtr to 1.5mtr and the berm height should not be more than the height of the road. Hence the following measurement of berm is accepted by audit.

Particulars	As per MB					As per Audit					Excess
	No	L	B	H	Content/Area	No	L	B	H	Content/Area	
Moorum spreading over road with HRR	2	30	0.6	0.2	7.2	2	30	0.6	0.15	5.4	1.8
	2	30	0.75	0.2	9	2	30	0.3	0.15	2.7	6.3
	2	30	0.6	0.22	7.92	2	30	0.5	0.15	4.5	3.42
	2	30	0.75	0.22	9.9	2	30	0.6	0.12	4.32	5.58
	2	28	0.6	0.2	6.72	2	28	0.5	0.1	2.8	3.92
					40.74					19.72	21.02

From the above table 21.02 cum of moorum is treated as excess as measured which involve 12253.00(21.02 @ 522.93). Necessary compliance may be submitted why a sum of Rs. 12253.00 will not be suggested for recovery against excess measurement. Till compliance a sum of Rs. 12253.00 is suggested for recovery.

In response to the audit objection memo page 27 & 28 the local authority replied that the amount will be recovered from the SD of the Contractor. In absence of the recovery the following persons are held equally responsible.

In response to the objection, it is verified on the day of exit conference that a sum of Rs.12253/- was recovered vide MR No 5705 dated 29.8.18 and reflected at page 77 of the cash book vide voucher no 333 dated 29.08.18. Therefore on recovery of Rs 12253/- the objection is dropped.

15.2 - ALLOWING RICH PROPORTION OF CONCRETE IN EXECUTION.

NAME OF THE PROJECT.	Renovation of road from Duryodhan Rout house to Badadanda Chhak in W.No 13 of Bhuban NAC
Head of A/C	Maintenance of R&B (2016-17)
CR No	533/8.5.2017
Vr.No.	230/26.7.2017
M.B. No.	142/ P-61 to 73
Estimate Cost	RS. 198000.00
Executant	Debendra Sahoo
JE	Surendranatha Sahoo
AE	Rasmita Mishra,
Accountant	Predeen Nath

E.O.	Jaminikanta Swain.
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On scrutiny of the above case record with respect to M.B. 142/(P 61 to 73) . It is found that this is renovation of existing road with drain. Where the drain bed alongwith wall and topping of the road were executed at M.B. No. 142 (P-67 Item no. 4) it is found that the wall of the drain and bed of the drain were constructed with P.C.C.(1:1.5:3) which can be made with PCC (1:3:6) to get sufficient strength .The bed of the drain before execution of PCC (1:1.5:3) was constructed with PCC(1:3:6) to a height of 0.7 mtr . Therefore, after PCC(1:3:6)the bed of the drain should be executed with cement punning work for smooth pass of water in the drain .As per specification of CC road this height wall of the drain is to be constructed with PCC(1:3:6).

Therefore at page 67 of the M.B. for construction of drain bed and wall 4.23 cum (1.7 +2.53) of PCC (1:1.5:3) can be Executed with PCC (1:3:6) for requisite strength and by allowing construction with PCC

(1:1.5:3). A sum of Rs. 8976.00(differential cost of PCC (1:1.5:3) and PCC (1:3:6) is Rs. 2121.90 x 4.23 cum) was excess spent and hence not admissible to audit.

Necessary compliance may be submitted why a sum of Rs. 8976.00 will not be suggested for recovery due to allowing rich proportion of concrete in execution. Till compliance a sum of Rs. 8976.00 is Suggested for recovery from following responsible personals.

In response to the objection, it is verified on the day of exit conference that a sum of Rs.8976/- was recovered vide MR No 5706 dated 29.8.18 and reflected at page 77 of the cash book vide voucher no 334 dated 29.08.18. Therefore on recovery of Rs 8976/- the objection is dropped.

15.3 - NO RESEMBLANCE IN MEASUREENT OF WORK

NAME OF THE PROJECT.	Construction of CC road from Badolo Laxmighar to Hanuman chhak in w.no. 3
Head of A/C	RD(2016-17)
CR No	547/8.5.2017
Vr.No.	230/26.7.2017
M.B. No.	158/ P-21 to 28
Estimate Cost	RS.160000.00
Executant	Sima Sahoo
JE	Jagadish Naik,
ME	Rasmita Mishra
Accountant	Predeen Nath
E.O.	Jaminikanta Swain.

On scrutiny of the above case record with respect to M.B. 158/(P 21 to 28) . It is found that the estimate was being prepared for construction of C.C. road to length of 50Mtr width of 50mtr.But as per M.B.the execution made to a length of 44.9 mtr with a average width of 3.47mtr. one span was measured as(1x15.5x0.5x0.5) in sand filling CC (1:3:6) and CC (1:1.5:3). It seems this span may be a cut of wall of the road. But when no excavation of earth work was not measured this can not be treated as a measurement for cut of wall. In respect to the estimate not such area width of 0.5 mtr was assign for execution. Hence the measurement against this span is not admitted as a part of this road. Again at page 24 of the M.B. the measurement for CC(1:1.5:3) was taken against span of 1x8.7x0.5x0.08=0.35 cum which as no resemblance against all previous measurement and was not provided even in the estimate. Hence this is also not admitted in audit.

In view of the above fact a sum of Rs. 9680.00 is treated as excess paid as per the following calculation made in the table.

Particulars	No	L	B	H	Content/Area	Rate	Total amount	MB-158 page no
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Sand filling	1	15.5	0.5	0.1	0.775	277.78	215.28	22	
CC(1:3:6)	1	15.5	0.5	0.075	0.58125	4497.82	2614.36	23	
CC(1:1.5:3)	1	15.5	0.5	0.09	0.6975	6552.18	4570.15	24	
	1	8.7	0.5	0.08	0.348	6552.18	2280.16	24	
TOTAL							9680		

Necessary compliance may be submitted why a sum of Rs. 9680.00 will not be suggested for recovery due to execution beyond the estimate and no resemblance with the construction of road . Till compliance a sum of Rs. 9680.00 is Suggested for recovery from following responsible personals.

In response to the objection, it is verified on the day of exit conference that a sum of Rs.7809/- was recovered vide MR No 4500 dated 29.8.18 and reflected at page 77 of the cash book vide Journal voucher no 12 dated 29.08.18. Therefore on recovery of Rs 7809/- the amount suggested for recovery stands for Rs 1871(9680-7809). Hence a sum of Rs. 1871 is suggested for recovery and compliance to audit.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Sri Jagadish Naik, JE	JE	Bhuban NAC, Bhuban, Dhenkanal	936
2	Smt.Rasmita Mishra, ME	ME	Bhuban NAC, Bhuban, Dhenkanal	935

15.4 - NO RESEMBLANCE IN MEASUREENT OF WORK

NAME OF THE PROJECT.	Construction of road from Sunakar Sahoo house to Sahan devi road in ward no.3
Head of A/C	RD(2016-17)
CR No	543/8.5.2017
Vr.No.	309/26.7.2017
M.B. No.	158/ P-52 to 54
Estimate Cost	RS.150000.00
Executant	Pranita Mishra
JE	Jagadish Naik,
ME	Rasmita Mishra,
Accountant	Predeen Nath
E.O.	Jaminikanta Swain.

On scrutiny of the above case record with respect to M.B. 158/(P 52 to 55) . It is found that at page 42 of the M.B. the measurement for CC(1:1.5:3) was taken against span of $1 \times 4 \times 3.45 \times 0.075 = 1.03$ cum which as no resemblance against all previous measurement. The estimate was prepared on visiting the site, Therefore only for the topping of the CC road the measurement was fictitious one. Hence this is also not admitted by audit.

In view of the above fact a sum of Rs. 6759.00 (1.03cum @ 6562.18) is treated as excess payment due to fictitious measurement. Necessary compliance may be submitted to this effect. Till compliance a sum of Rs. 6759.00 is Suggested for recovery from following responsible personals.

In response to the objection, it is verified on the day of exit conference that a sum of Rs.6759/- was recovered vide MR No 4499 dated 29.8.18 and reflected at page 77 of the cash book vide voucher no 332 dated 29.08.18. Therefore on recovery of Rs 6759/- the objection is dropped.

15.5 - EXCESS PAYMENT IN WORKS.

NAME OF THE PROJECT.	Construction of road from Dharanidhar Prusty house to Basanta Prusty in w.no.3
Head of A/C	RD(2016-17)
CR No	589/12.05.2017
Vr.No.	308/14.9.2017
M.B. No.	158/ P-44 to 51
Estimate Cost	RS.94000.00
Executant	Ajaya Ku Sahoo.
JE	Jagadish Naik,
ME	Rasmita Mishra,
Accountant	Predeen Nath
E.O.	Jaminikanta Swain.

On scrutiny of the above case record with respect to M.B. 158/(P 48-51) . It is found that in estimate the hight of the CC (1:3:6) was taken as 0.07 height mtr and the height of topping of the road is taken as 0.01mtr.accordingly in M.B. 158 at page 45 and 46 the height of PCC (1:3:6) is measured as 0.07mtr and the height of PCC (1:1.5:3)is measured as 0.01mtr. In both estimate and measurement the base level concrete height taken less than the height topping of the road. If total height in a concrete road is 0.17mtr then the PCC (1:3:6) should be 0.01mtr and the height of the PCC(1:1.5: 3) will be 0.07mtr, because the height of the topping of the road is less then the height of the concrete base. In this Circumstances the quantity measured as PCC(1:1.5:3) is treated as the quantity measured for PCC (1:3.:6) . Similarly ,the quantity measured for PCC (1.:3:6) is accepted as the quantity for PCC (1:1.5:3) by audit.

Therefore, the amount for PCC (1:3:6) will be $8.86\text{cum} \times @4497.82 = 39851.00$ against Rs. 29191.00. The amount for P.C.C.(1:1.5:3) for $6.49\text{cum} @ 6562.18 = 42589.00$ against billed amount 58141.00. As a result of which $(58141+29191) - (42589-39851) = 4892.00$ treated as excess paid and compliance is awaited to this effect. Till compliance a sum of Rs. 4892.00 is suggested for recovery from following responsible personals.

In response to the objection, it is verified on the day of exit conference that a sum of Rs.4892/- was recovered vide MR No 4498 dated 29.8.18(Rs.6559 i.e 4892+1667 vide MR No 4498 dated 29.08.2018) and reflected at page 76 of the cash book vide voucher no 331 dated 29.08.18. Therefore on recovery of Rs 4892/- the objection is dropped.

15.6 - WRONG PROCEDURE ADOPTED IN ANALYSIS OF WORK

NAME OF THE PROJECT.	Improvement of Govt. Boys High School Play ground of Bhuban NAC
Head of A/C	Construction of Mini Stadium
CR No	1083/27.10.2016
Vr.No.	515/18/12/2017
M.B. No.	159/ P-68 to 78
Estimate Cost	RS.94000.00
Executant	Ananta Patra
JE	Jagadish Naik
ME	Rasmita Mishra
Accountant	Predeen Nath
E.O.	Jaminikanta Swain.

On scrutiny of the above case record with respect to M.B. 159/(P 68-78) . It is found that in estimate the earth work is ordinary soil by mechanical means with 5 KM lead including cost, conveyance, royalty and all T & P cost of all labour was arrived at Rs. 260.01. The mechanical carriage was taken as Rs. 15640.00 per 100cum or to say 156.40 per cum. This includes loading and unloading of earth at @ 79.00 per cum. While preparing the analysis deduction towards loading charges (i.e. 1/3 of 79 =26.33 per cum) is required to be deducted . But this has not been done. Due to this wrong procedure adopted in this analysis a sum of Rs. 108222.00(Rs.26.33 per cum x 4112.49cum of earth work)

Compliance may be submitted while Rs. 108222.00 is not suggested for recovery due wrong analysis of rate .

In absence of compliance a sum of Rs. 108222.0 is suggested for recovery from Jr. engineer (who proposed the estimate) from ME ,Bhuban NAC(who accepted the Analysis), Executive Engineer P.H, Angul (who technical approved the estimate)with equal responsible.

In response to the above objection the JE concerned replied on the day of exit conference that in above mentioned Para an amount of Rs 108222.00 @Rs26.33/cum towards loading charge has been suggested for recovery. Actually the earth was mechanically carried with 7 km lead to the work site. The detailed analysis is attached for kind reference. An amount of Rs.18.40 /cum has been deducted towards loading charge instead of Rs 26.33/cum. The differential amount of Rs7.93/cum may be considered for recovery and that will be recovered from SD amount of the contractor. Hence the Para may be dropped.

The analysis is attached with the compliance.

In view of the above compliance a sum of Rs.32612.00 (4112.49 cum @ 7.93) is suggested for recovery and after recover of the same compliance may be made to audit.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt.Rasmita Mishra, ME	ME	Bhuban NAC, Bhuban, Dhenkanal	10871
2	Sri Jagadish Naik, JE	JE	Bhuban NAC, Bhuban, Dhenkanal	10871
3	Mrutyunjaya Pani	EE	Office of the PH Division,Angul	10870

PARA: 16 AUDIT ON UNITS / DEPARTMENT

16.1 - Audit on Units/Department
There is no special unit/Department being operated under this NAC.

PARA: 17 AUDIT ON SCHEMES / PROGRAMMES

17.1 - THEMATIC AUDIT ON PROCUREMENT OF GOODS/EQUIPMENT IN BHUBAN NAC
SCOPE of Audit: The purchase /procurement files of the Bhuban NAC for the last three years i.e 2015-16, 2016-17, 2017-18 are examined with the tender files so far produced before audit.
Objectives: The objective of the thematic audit is to examine the records and ascertain if:

1. Due tender procedure have been adopted for procurement of high value goods/equipment
2. Sanction from competent authority for purchase and floating of tender has been obtained as per the provisions of OGFR and Municipal/Corporation Rules and Acts.
3. Purchase orders have been split up to avoid the necessary for obtaining the sanction of higher authority required with reference to the total amount of the order
4. Irregular purchases have been made according to previous years tender without floating fresh tender.

Criteria :

The criteria to be followed while examining the records are as follows:

1. The Odisha Municipal Corporation Act, 2003 (Section 277-279)
2. The Odisha Municipal Rules, 1953 (Rule 352-364)
3. Rule 53, 96, 97 & 98 of OGFR, Vol 1 on purchase of stores.
4. Finance Department Guidelines for procurement of goods vide OM No 4939/ F Dated 13.02.2012

Audit Findings: While examining the procurement files, the following irregularities are noticed.

On verification of procurement of electrical items it was disclosed that the above installation was made on tender process.

In the year 2015-16, a sum of Rs. 6594005.00 was spent towards street light installation. The details of the objection in this purchase was reflected in the AR No 275051/AR/2016-17. Except this all other purchase was made followed by the norms of the government.

In the year 2016-17, a sum of Rs. 2152846/- was spent on purchase of electrical items. But the purchase file in this respect was not produced before audit. In absence of the same the appropriation of such expenditure can not be determine by this audit. Except this all purchase as noted below were made in adhere to the government guidelines.

The details Procurement of goods During 2015-16, 2016-17 and 2017-18 are given below.

Sl.No.	Vr.No.	Date	Name of the Agency	Name of the Item	Nos of Item	value	Remarks
	PV-540	06.01.16	Jagabalia Fabricators	Square Pipe & CR sheet satge frame	1	21250.00	Tender Procedure adopted
	PV-523	18.12.15	Santi Agency	Civil Engineering Equipments	1	98893.00	Tender Procedure adopted
	PV-240	10.08.15	S.S.Engineering	LED Street Light Pole	40	2951073.00	objection raised in AR No 275051?AR/2016-17
	PV-257	20.08.15	S.S.Engineering	LED Street Light Pole	10	724118.00	objection raised in AR No 275051?AR/2016-17
	PV-334	16.09.15	S.S.Engineering	LED Street Light Pole	25	1863349.00	objection raised in AR No 275051?AR/2016-17

	PV-339	30.09.15	S.S.Engineering	LED Street Light Pole	15	1055465.00	objection raised in AR No 275051?AR/2016-17
	PV-496	05.12.15	S.S.Engineering	Electrical items		257531.00	Tender Procedure adopted
	PV-615	11.02.16	S.S.Engineering	High Mast Light	1	569232.00	Tender Procedure adopted
						7457327.00	
			2016-17				
Sl.No.	Vr.No.	Date	Name of the Agency	Name of the Item	Nos of Item	value	
	PV-05	12.04.16	Biswal Engineering	Fogging Machine	1	1310963.00	Tender Procedure adopted
	PV-96	07.06.16	Gagan Chemicals	Sanitation Material		232463.00	Tender Procedure adopted
	PV-253	31.08.16	Gagan Chemicals	Sanitation Material		103203.00	Tender Procedure adopted
	PV-50	04.05.16	S.R.Enterprises	Water Cooler	2	83810.00	Tender Procedure adopted
	PV-160	11.07.16	S.S.Engineering	Electrical items		474626.00	Tender Procedure adopted
	PV-381	10.11.16	S.S.Engineering	Electrical items		615711.00	Tender Procedure adopted
	PV-446	14.12.16	S.S.Engineering	LED Street Light Pole	50	2082350.00	Tender file not produced to audit
	PV-581	14.02.17	R.K.Engineering	Electrical Weiring Materials		70496.00	Tender file not produced to audit
	PV-583	14.02.17	Shiv Shankar Agency	Air Conditioner	6	299100.00	Tender Procedure adopted
			2017-18				
Sl.No.	Vr.No.	Date	Name of the Agency	Name of the Item	Nos of Item	value	
	PV-212	13.07.17	Gagan Chemicals	Sanitation Material		656971.00	Tender

											Procedure adopted
	PV-01	03.04.17	S.S.Engineering	LED Street Light Pole		50			2108570.00		Tender Procedure adopted
	PV-405	25.10.17	R.K.Engineering	Electrical Weiring Materials					408062.00		Tender Procedure adopted
	PV-207	11.07.17	Perfect Computer	Computer		4			184140.00		Tender Procedure adopted
	PV-509	13.12.17	Microware Systems	Computer		1			43750.00		Tender Procedure adopted
	PV-39	22.04.17	Mitika Traders	Water Pump		1			24945.00		Tender Procedure adopted
	PV-714	28.03.18	M/S Radio Store	Water Pump		1			26000.00		Tender Procedure adopted
	PV-07	10.04.17	Anisha Traders	Water Coolers		1			49300.00		Tender Procedure adopted

Suggestion:

The procedure as described in the criteria of this para should be adhered to on procurement of goods. The stock register should be maintained on such procurement with the prescribe format in OGFR and should be duly be verified in accordance to rule 106 of the OGFR. The files relating to the procurement of goods or to any expenditure to be kept in sincere manner that can be produced before the inspecting authority as when required.

17.2 - Achievement on Scheme

Target and Achievement												
Scheme	O.B.	Funds receive during the year	Total funds available	Expenditure	Unspent balance at the end of the year	Percentage of expenditure	No. of Spill over projects from previous year	Number of projects planned for the current year as per the annual action plan	Total	No. of Projects completed during the year	No. of spill over projects to the next year	Percentate of achievement.

BRGF	1175500	0	1175500	1448955	-273455	123.26	0	0	0	0	0	0
MPLAD	94959	600000	694959	0	694959	0.00	2	0	2	0	2	0
MLALAD	-336746	3601600	3264854	861236	2403618	26.38	2	0	2	0	2	0
CCROAD	451334	0	451334	0	451334	0.00	0	0	0	0	0	0
ROADS & DEVELOPMENT	2861073	0	2861073	2861073	0	100.00	10	0	10	10	0	100
MVTAX	2239541	1787000	4026541	3959469	67072	98.33	4	5	9	3	6	33.33
DEVOLUTION	15925183	6077000	22002183	9004719	12997464	40.93	20	5	25	0	25	0
14TH CFC	2060187	9546000	11606187	6218462	5387725	53.58	13	22	35	6	29	17.14
ROAD & BRIDGE	5309006	2543000	7852006	3453978	4398028	43.99	6	5	11	2	9	18.18
CREATION OF CAPITAL ASSETS	0	949000	949000	904348	44652	95.29	0	1	1	1	0	100
PERFORMANCE BASE INCENTIVE GRANTS	3485536	0	3485536	0	3485536	0.00	0	0	0	0	0	0
MAINTENANCE OF CAPITAL ASSETS	229000	453000	682000	0	682000	0.00	0	1	1	0	1	0

From the above it is found that in Roads & development 100% achievement was made which is praiseworthy on the other hand in all other scheme the achievement is less than 33% which is very discouraging. The Local Authority is advised to initiate sincere steps to achieve the target for utilisation of fund in time as well as to give a good governance.

PARA: 18 MISCELLANEOUS

18.1 - NON-UTILISATION OF MATCHING CONTRIBUTION OF GRANTS.	
<p>During the year covered under audit it was revealed that a total sum of Rs.2684101.90 was outstanding for utilization towards matching contribution share of Road development grants as per term and condition attached to the sanction order. The position of matching contribution of the NAC is furnished below.</p>	
1 Matching Contribution Outstanding as on 01.04.2017=	2930660.50
2 Matching Contribution due for expenditure against Govt. Grant received position during F.Y.2017-18=	0.00
3 Total =	2930660.50
4 Matching Contribution utilised during F.Y.2017-18=	246558.60
5 Matching Contribution Outstanding as on 31.03.2018=	2684101.90

Details of matching contribution received during the year 2017-18

SI.No.	Name of the Scheme covered under Matching contribution	Amount Received during 2017-18	Sanctioned Order No & Dt.	1/9th of the said receipt i.e. share of Bhuban NAC
1	Road Development Grant	0.00		0
TOTAL		0.00		0

Details of Matching Contribution utilised during F.Y.2017-18.

SI.No.	Name of the Scheme covered under Matching contribution	Gross Amount Spent during 2017-18 in matching contribution scheme	Vr.No. & Dt.	1/9th of the spent amount as share of the matching contribution from NAC own fund
1	Road Development	250309	PV-52 dt.27.04.17	25030.90
2	Road Development	381732	PV-79 dt.08.05.17	38173.20
3	Road Development	196293	PV-242 dt.02.08.17	19629.30
4	Road Development	146789	PV-243 dt.02.08.17	14678.90
5	Road Development	156176	PV-244 dt.02.08.17	15617.60
6	Road Development	383948	PV-245 dt.02.08.17	38394.80
7	Road Development	86005	PV-307 dt.14.09.17	8600.50
8	Road Development	91319	PV-308 dt.14.09.17	9131.90
9	Road Development	146671	PV-309 dt.14.09.17	14667.10
10	Road Development	626344	PV-334 dt.25.09.17	62634.40
TOTAL:-		2465586.00		246558.60

From the above table it is revealed that a sum of Rs.246558.60 is yet pending outstanding against the NAC for utilization as on 31.03.2018 Due to lack of internal source of income of the NAC the said amount was pending unutilised . As a result the urban people are being deprived of from the benefits for which the grants have been sanctioned by the Govt. Hence it is suggested to the local authority that all the possible steps may be taken to increase the income source of revenue of the NAC so as to contribute the matching share of the grant for achievement of 100% target with a view to up-lift the livelihood of the urban people within the time frame

18.2 - PENDENCY OF HUGE ARREAR AMOUNT OF WATER CHARGES

During verification it was found that a sum of Rs.1942501.00 was yet outstanding against the NAC towards arrear with current year i.e for the FY 2017-18 dues on water charges as on 31.3.2018. The amount was accumulated high due to irregular payments of the bills to the public health department. It may be pointed out here that in spite of enjoying the financial stability the local authority had not taken the steps to clear up such pendency in order to rid from the undue surcharge payments. In this context an objection memo was issued to the local authority to

ascertain the reasons behind non clearance of the dues. But no suitable reply was given, rather it was stated that steps are being taken to clear up the water charges.

18.3 - PENDENCY OF HUGE ARREAR AMOUNT OF ENERGY CHARGES FOR PAYMENT

During verification it was found that a sum of Rs.7590300.00 was outstanding against the NAC towards arrear dues of electricity charges on street light as on 31.3.2018. During the FY 2017-18 a sum of Rs2400000.00 paid including current year bill .Still a sum of Rs.5190300.00 outstanding as on 31.3.2018 .The amount was accumulated high due to interruption of payments of the arrear bills to the SESU. It may be pointed out here that as per Letterr. No. 4408/HUD Dt. 19.02.2014, the outstanding energy charges of street light if payable should be cleared on priority basis out of Octroi Compensation grant.

But in spite of enjoying the financial stability, as revealed from the position of Assets & Liabilities the local authority had not taken the steps to clear up such pendency in order to rid from the undue surcharge payments, which gives clear impression that the local authority of the NAC has emphasized to carry out the various developmental works according to their sweet will. In this context an objection memo was issued to the local authority to ascertain the reasons behind non clearance of such heavy arrear dues. But no suitable reply was offered on this score, rather it was stated that steps are being taken to clear up the energy charges

18.4 - POSITION OF GRIEVANCES.

The grievance register is not maintained by the NAC authority for the FY 2017-18 . So the position and status grievance redressal for the year 2017-18 could not ascertained by the audit .Reference to the last AR data was produced

Particulars based on complaint/ grievance register of grievances	No	
Complaints pending for disposal at the beginning of the year	4	
Complaints received during the	0	year
Total	4	
Complaints disposed off during the year	0	
Complaints pending for disposal at the end of the year	4	

18.5 - OUTSTANDING AUDIT PARAGRAPHS PENDING FOR SETTLEMENT

During the course of audit it was found that no compliances to the following audit reports have been submitted to Dist. Audit Officer (LFA) Dhenkanal. As a result the very purpose of audit of this institution is being defeated. Due to non-submission of compliance report to said audit reports on proper quarter several paragraphs are still awaiting therein for settlement.

Hence the local authority is suggested to take the tangible steps for early settlement of the outstanding audit paragraphs of the audit reports by submission of compliance report to Dist. Audit Officer, L F A , Dhenkanal on proper quarter. The position of paragraphs, which are

awaited for settlement in Audit reports is furnished here under.

DETAILS OF STATEMENT SHOWING AUDIT PARAGRAPH PENDING FOR SETTELEMENT (DERIVED FROM ON LINE REPORT)							
Audit Report No. with year of Account	Paragraphs Pending for settlement relating to missapoorioration of cash and loss of stock & store		Paragraphs pending for settelement other than missapropriation and defalcation		Total		
	No.of Paragraphs	Amount	No.of Paragraphs	Amount	No.of Paragraphs	Amount	
	2	3	4	5	6	7	8
1966/AR/12-13 for the year 2011-12	0	0	9	231902	9	231902	
40175/2013-14 for the FY 2012-13	1	125315	12	13111685	13	13237000	
46400/14-15 for the FY 2013-14	0	0	18	4382407	18	4382407	
104751/AR/2015-2016 for the FY 2014-15	0	0	10	1860414	10	1860414	
275051/AR/2016-2017 for the FY 2015-16	0	0	19	38068705	19	38068705	
367207/AR/2017-18 for the year 2016-17	1	2000000	18	12962113.00	19	14962113.00	

18.6 - NON PROVISION ON DEPRECIATION FUND AND SINKING FUND

Depreciation Fund.

Though a good number of vehicles are owned and maintained by the NAC, no depreciation fund is created to cope the losses incurred as depreciation to the value of the Vehicles. The same may be created and compliance reported to Audit.

Sinking Fund.

No Sinking Fund under Section 111 of O.M. Act, 1950, Rule 20(d) of O.L.F.A. Rules, 1951 has created to clear off the liability in contest of incurred loan. However step may be taken to create such account to strengthen the financial position of the NAC.

18.7 - BUILDING PLAN REGISTER.

The building plan register of the NAC for the year 2016-17 was not maintained in accordance with the Rule-525 & 526 of OM Rules-1953.As such the position of building permitted for new construction, addition and alteration to the old and existing buildings could not be ascertained.

Hence proper maintenance of said register need be ensure forthwith and compliance reported to audit.

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

19.1 - NON REMITTANCE OF GOVT DUES.

The details position of Govt. dues which have been realized from works bill during the year covered under audit and their deposits are furnished below. From the above table it can be seen that a sum of Rs. (-)12730.00.00 yet to deposited in the concerned heads by the Municipal Authority towards Royalty, VAT and Cess etc. at the financial year ending 31.03.2018. It is seen that the such amount deposited towards Royalty,VAT,Cess, & It is excess then the due.

on issue of objection statement no reply furnished by the authority till the end of the audit .So the excess deposit (-)12730.00 was kept under objection till reconciliation.

Sl.No.	Particulars	Cess	Royalty	VAT	IT	TOTAL
1	OB as on 01.04.2017	16235	19797	-14913	-67456	-46337
2	Collection during 2017-18	348358	886006	543819	472049	2250232
3	TOTAL	364593	905803	528906	404593	2203895
4	Deposited during 2017-18	340942	873506	543819	458358	2216625
5	Outstanding as on 31.03.2018	23651	32297	-14913	-53765	-12730

19.2 - POSITION OF LOAN

The position of loan outstanding as on 2017-18 is furnished below.

POSITION OF LOANS.

Particulars	Amount
Loan amount outstanding as on 1.4.17	935225.50
Loan received during 2017-18	0
Total	935225.50
Loan repaid during 2017-18	0
Loan outsatnding as on 31.3.2018	935225.50

The details of outstanding balance of loan are given below.

Sl . Purpose of loan received	Balance to be redeemed as on 31.3.17
1 Pipe water supply	10787.5
2 Pipe water supply	13150
3 Const. of Market Complex	210000
4 Purchase of Canter bus	200000
5 NSDP loan	492500
6 Const. of Market shopping	33000
7 Total	959437.5
8 Loan adjusted from ET Grant	24212
9 Balance of loan to repay as on 31.3.18	935225.5

19.3 - POSITION OF CPF

As per Rule 442 of O.M. Rules, 1953 a provident fund ledger in Form No. P.F. 5 is to be maintained 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 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, but no such ledger or register is maintained in this Municipality. During the year, this is the first instance that CPF contribution of employee was deducted from the month January 2015 but no amount of CPF was deposited to the Employee Provident Organization and the whole amount is retained in the municipal account. However the amount has been deposited during the next financial year. The position of CPF for the year 2017-18 is furnished below.

During the course of Audit it was observed that the C.P.F. ledger in support of deposit and withdrawal of temporary CPF amount has not been maintained by the N.A.C. In absence of the C.P.F. ledger the outstanding amount due for deposit Rs 269402.00 could not be ascertained and furnished for record of reference to the audit.

Particulars	Amount
OB as on 1.4.2017	270122
Receipt	219196
Total	489318
Deposited	219916
balance to be deposited	269402

On issue of audit objection statement the local authority produced no reply on it. So the local authority is advised to deposit the amount in treasury as per the Govt. guideline and compliance report to the audit.

19.4 - POSITION OF EPF

As per Rule 442 of O.M. Rules, 1953 a provident fund ledger in Form No. P.F. 5 is to be maintained 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 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, but no such ledger or register is maintained in this Municipality. The position of EPF for the year

2017-18 is furnished below.

EPF POSITION	
Particulars	Amount
OB as on 1.4.2017	-977571
Receipt	620546
Total	-357025
Deposited	1648963
balance to be deposited	-2005988

During the course of Audit it was observed that the E.P.F. ledger in support of deposit of subscribers and withdrawal of temporary EPF amount has not been maintained by the N.A.C. In absence of the E.P.F. ledger the amount due shown as expenditure for deposit Rs -2005988.00 could not be ascertained and furnished for record of reference to the audit.

On issue of audit objection statement the local authority produced no reply on it .So the local authority is advised to produce all the related ledgers with account for the said deposit and compliance with reconciliation statement regarding the excess deposit of Rs.2005988.00 .Till the compliance Rs.2005988.00 is kept under objection.

19.5 - POSITION OF SD/EMD

The local authority have not been maintained the Deposit Ledger and Register of outstanding Deposits, as prescribed under Rule-142 & Rule-143 of OM Rules-1953. In absence of maintenance of the same the position of outstanding S.D.& EMD amounts at the beginning of the year 2017-18 as on 01.04.2017 could not be ascertained by the audit and worked out properly and furnished the same in the report. However the same has been worked out basing upon the data incorporated in the last and previous audit reports , and records and registers as could be made available to audit and furnished below.

However the attentions of the NAC Authorities are invited in this regard to do the need full for proper maintenance of the above register in order to guard the public deposits as well as for the interest of the NAC .

SD /EMD POSITION	
Particulars	Amount
OB as on 1.4.2017	2921251.00
Receipt	2326879.00
Total	5248130.00
Deposited	62500.00
Balance amount to be deposited	5185630.00

PARA: 20 RESULT OF AUDIT AND CONCLUSION

20.1 - GENERAL REMARKS -

The state of maintenance of books of accounts, records and registers of the NAC is not satisfactory at all. Financial transactions have not been regulated in accordance with the budgetary provisions. Advances to the tune of Rs. 2549029.23 has not been adjusted at the end of the financial year, out of the amount long and old advances of Rs.2125604.23 for which a special drive need be executed on prior basis.

Grants have not been utilized promptly due to which huge balance of unspent grants for amounting Rs.41199162.00 is lying at the end of the fiscal 2017-18.

Pace of submission of U.C. is also not accelerated, as a result pendency of huge amount of UC involving with the money value Rs.188355365.00 is awaiting for clearance.

Collection of statutory taxes has not been expedited and enhanced the Revenue of the NAC.

Codal provisions have not been adopted to collect huge outstanding balance of arrear dues of holding tax, for which an innovative measure should be adopted by the NAC Authority.

Outstanding loans have not been yet redeemed.

Several important accounts, and registers such as CPF cash book, outstanding ledger of advances, outstanding register of deposits, and advances, D.C.B .register of rent & fixed demands. D.C.B register on rent of market shops, register of utilization of grants etc. have not been maintained properly and up-dated. Hence much and more efforts should be taken by the NAC authority to bring a reform not only in the state of collection of taxes and management of financial policies, but also to revive the state of maintenance of accounts, records and registers of the NAC to make the accounts of each and every individual section convenient, lucid and clear so that a steady reference can be achieved on a particular subject/account as and when required.

Hence the Local Authority is suggested to emphasis the following tips in order to achieve a magnificent account as well as performances in streamlining the provisions as made by the Govt. from time to time to provide better service delivery system at the grass root level.

1. Consider preparing annual budget keeping in view the actual requirement of funds and their utilization for developmental projects.
2. Ensure monthly reconciliation of cash book balance with that of pass book balance of Banks and maintain the records up dated regularly to solve future complications.
3. Ensure prompt and effective action for adjustment/recoupment of the outstanding advances and submission of pending U.C
4. Ensure financial discipline and strengthen monitoring mechanism by putting an internal control system and its proper functioning.
5. Ensure prompt and punctual planning to accelerate the expenditure of huge unspent govt. grants.
6. Attend advice and suggestions of controlling and higher supervisory authorities punctually.
7. Ensure proper training to staffs associated with accounts. Suitable cadre on accounts may be created for the Cashier and Accountant in the NAC.
8. Proper and timely maintenance of accounts and returns.
9. Submit proper compliances to outstanding audit paragraphs for their early settlement.
10. Proper functioning of Grievance redressal mechanism.
11. Observe the principles of cash management system as per the directives of O.M.No. 13081 dated 11.04.2014 and 22521/F dated 01.08.2014 of Finance Department.

Carry out frequent inspection, monitoring and supervision over various developmental works under different schemes as per provisions enforced in the guidelines to fructify the beneficial schemes of the Govt.

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As a result of this Audit transactions involving a sum of Rs 955349.00 are held under objection which include an amount of Rs 1334818.00 suggested for recovery. Besides, a sum of Rs 41689 was recovered at the instance of audit. The details are furnished in the following tables.

Result Of Audit

Sl No	Paragraph No.	Amount suggested for recovery(In Rs:)	Amount kept under objection including amount suggested for recovery (In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	5.1	0.00	8220531.00	0.00	0.00	0.00	
2	8.1	607850.00	607850.00	607850.00	0.00	0.00	
3	11.1	604100.00	604100.00	604100.00	0.00	0.00	
4	13.3	31895.00	31895.00	31895.00	0.00	0.00	
5	14.1	46570.00	46570.00	46570.00	0.00	0.00	
6	14.2	4920.00	4920.00	4920.00	0.00	0.00	
7	14.3	5000.00	5000.00	0.00	0.00	0.00	
8	15.3	1871.00	1871.00	1871.00	0.00	0.00	
9	15.6	32612.00	32612.00	32612.00	0.00	0.00	
Total		1334818.00	9555349.00	1329818.00	0.00	0.00	

Spot Recovery

Sl No	Ref to Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	Para 15.2	5706	2018-08-29	8976	Debendra Sahu
2	Para 15.3	4500	2018-08-29	7809	Sima Sahu
3	Para 15.4	4499	2018-08-29	6759	Pranita Mishra
4	Para 15.5	4498	2018-08-29	4892	Ajaya Kumar Sahu
5	Para 15.1	5705	2018-08-29	12253	Sri Sibaram Behera
6	Para 14.3	5707	2018-09-04	1000	Sri Satyabrata Sahu
				Total	41689

Audit Certificate

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

**District Audit Officer
Local Fund Audit,DHENKANAL**