

LOCAL FUND AUDIT, BARAGARH, ODISHA

CATEGORY : Municipality/Municipal Corporation

Audit Report No : 254638/AR/2016-2017-BARAGARH

PARA: 1 TITLE SHEET

1	Name of the Institution :	Bargarh Municipality. Bargarh
2	Year of Accounts under Audit :	2015-2016
3	Name of the Local Authority during the year of A/Cs :	1.SRI DILLIP KUMAR MOHANTY,E.O. FROM 02.07.12 TO 11.09.15 2.SRI SUBASH CHANDRA SAHU,E.O. FROM 12.09.15 TO 17.12.15 3.SRI ASHOK KUMAR PATRA,E.O. FROM 18.12.15 TO 27.01.16 4.SRI SUSHANTA ROUT,E.O. FROM 28.1.16 TO 31.03.2016
	Name of the Local Authority at the time of Audit :	SRI SUSHANTA ROUT,E.O.
4	Duration of Audit :	09-12-2016 To 10-03-2017 (Mandays Consumed :- 66)
5	Name of the Auditors :	ACHYUTA NANDA BARIK - Lead Auditor(09-12-2016 to 10-03-2017) SANATAN BHOI - Auditor(09-12-2016 to 10-03-2017) PUSPANJALI MEHER - Auditor(20-12-2016 to 10-03-2017)
6	Name of the Reviewing Officer :	BIJAY KUMAR PATTANAIK(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	15-04-2017
8	Entry Conference Date :	01-12-2016
9	Exit Conference Date :	20-04-2017
10	Name of the District Audit Officer :	PRAN SHANKAR DEOTA
11	Date of approval of report by District Audit Officer :	25-04-2017

Para1.1 :- Demographic information:-

Name Of The Institution	Area In sq Km	No of Ward	Population of the Institution					Female Population	Male Population
			S.C	S.T	Minority	General	Total		
Bargarh Municipality. Bargarh	16.72	19	14465	4341	4055	57764	80625	41418	39207

PARA: 2 PHYSICAL VERIFICATION

S/no	Items	Date Of Physical verification Before / After Transaction	Physical Balance	Balance As per Cash Book / Stock Register	Reference To The Page No Of Cash Book / Stock Register	Discrepancies If Any
1	Miscellaneous Receipt Books	09.12.16 FN before transaction	192 NOS	192 NOS.	SR Page-9	NIL
2	Measurement Books	09.12.16 FN before transaction	15 NOS.	15 NOS.	SR Page-15	NIL
3	Cash in hand	09.12.16 FN before transaction	Rs.400.00	Rs.400.00	Subsidiary cash book,page-63	NIL
4	ServicePostage Stamps	09.12.16 FN before transaction	Rs.168.00	Rs.168.00	SR Page-73	NIL
5	HOLDING TAX RECEIPT BOOKS	09.12.16 FN before transaction	9 NOS.	9 NOS.	SR Page-13	NIL
6	USER FEE RECEIPT BOOKS Rs.20.00	09.12.16 FN before transaction	80 NOS.	80 NOS.	SR Page-167	NIL
7	USER FEE RECEIPT BOOKS Rs.10.00	09.12.16 FN before transaction	122 NOS.	122 NOS.	SR Page-65	NIL
8	Gandhi Children park Rs.2.00	09.12.16 FN before transaction	140 nos.	140 nos.	SR Page-25	NIL
9	Cattle Market Fee Receipt Books	09.12.16 FN before transaction	1613 NOS.	1613 NOS.	SR Page-33	NIL
10	Cattle Market Fee Receipt Books Old	09.12.16 FN before transaction	160 NOS.	160 NOS.	SR Page-63	NIL
11	Private Bus Stand Receipt Books	09.12.16 FN before transaction	2233 nos.	2233 nos.	SR Page-19	NIL
12	Service Tax Reeipt Books	09.12.16 FN before transaction	41 nos.	41 nos.	SR Page-57	NIL
13	Building Plan Approval Forms	09.12.16 FN before transaction	1811 nos.	1811 nos.	SR Page-72	NIL
14	Copy Application Form	09.12.16 FN before transaction	181 nos.	181 nos.	SR Page-1	NIL
15	Mutation Application Form	09.12.16 FN before transaction	124 nos.	124 nos.	SR Page-25	NIL
16	Market fee receipt books	09.12.16 FN before transaction	68 nos.	68 nos.	SR Page-47	NIL

Comments

Para No. 2.1:- Physical verification:-

As per Rule 20 (a) of Odisha Local Fund Audit Rules, 1951 before commencement of audit of the Municipality physical verification was conducted on dated 09.12.2016 F.N.(before transaction). Verified the liquid cash balance as on the date of commencement of audit and found liquid cash balance of Rs.400.00. No discrepancy in liquid cash balance was noticed. Physical verification of liquid cash was recorded in subsidiary cash book dated 09.12.2016. Physical verification of postage stamp, unused Measurement Book, unused Miscellaneous Receipt Book and unused Money Receipt Book have been recorded in respective stock registers as mentioned above. No discrepancy was noticed.

Para No. 2.2:- Verification of cash balance periodically:-

At the end of each month the Executive Officer shall verify cash balance in the chest with the balance in the cash book and record signed and dated certificate to that effect. But, during the audit it is revealed that verification of cash balance in the chest with the balance in the cash book

was not verified and recorded in each month. Such lapses may lead to misappropriation of cash, embezzlement of cash etc. So, the Executive Officer is suggested to conduct verification of cash balance in the chest with the balance in the cash book and record signed and dated certificate to that effect.

PARA: 3 LIST OF VERIFIED RECORDS

A : List Of Verified Records/Register

S/no	List Records/Register	Rules	Form No
1	Measurement Book	Rule 365	Form W-VIII
2	Miscellaneous Supply Bill	Rule 343	Form W-V
3	Register of Works	Rule 345	Form W-VI
4	Stock & Store Register of Municipality	Rule 346	Form W-VII
5	Contract Agreement Form	Rule 341	Form W-III
6	Contract Certificate	Rule 343	Form W-IV
7	Nominal Muster Roll (NMR)	Rule 340	Form W-II
8	Progress statement of collection of taxes	Rule 200	Form N
9	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
10	Stock account of Receipt Forms	Rule 196	Form L
11	Tax collector's Ledger	Rule 198	Form M
12	Register of writes off of demands	Rule 190	Form J
13	Tax collector's daily collection register	Rule 192	Form K
14	Tax Receipt Form	Rule 188	Form I
15	Register of Petitions	Rule 183	Form F
16	Mutation Register	Rule 184	Form G
17	Demand and Collection Register	Rule 178	Form B
18	Form of appeal petition	Rule 183	Form E
19	Assessment List	Rule 177	Form A
20	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
21	Stamp Account	Rule 172	Form No. XLIV
22	Stock Register of Stationery	Rule 172	Form No. XLIV
23	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
24	Daily Collection Register	Rule 171	Form No. XL
25	Register of Interest Bearing Securities	Rule 147	Form No. XLI
26	Ledger of Lessees	Rule 170	Form No. XXXVIII
27	Arrear List	Rule 170	Form No. XXXIX
28	Miscellaneous Receipts	Rule 157	Form No. XXXIV
29	Stock account of License Number Plates	Rule 155	Form No. XXXII
30	Advance Ledger	Rule 136	Form No. XVIII
31	Cash Book of the municipality	Rule 125	Form No. XIV
32	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
33	Permanent Advance Account	Rule 108	Form No. XII
34	Periodical Increment Certificate	Rule 99	Form No. XI
35	Absentee Statement	Rule 97	Form No. X
36	Salary Bills	Rule 97	Form No. IX
37	Order Book	Rule 96	Form No. VIII
38	Register of Bills	Rule 96	Form No. VII
39	Challan	Rule 87	Form No. VI
40	Subsidiary Cash Book	Rule 128 A	Form No. V-A
41	Cashier's Cash Book	Rule 81	Form No. V
42	Subsidiary account of special taxes	Rule 79	Form No.-IV
43	Schedule for the Budget Estimate	Rule 77	Form No. III
44	Abstract of the Budget Estimate	Rule 74	Form No. I-A
45	Budget Estimate	Rule 74	Form No. I

B : List of Records/Registers not Produced to Audit

S/no	List Records/Register	Rules	Form No
1	Register of Estimates & Allotments	Rule 332	Form W-I
2	Warrant register	Rule 202	Form R
3	Register of Distraigned property & sales	Rule 204	Form S

4	Distrain Warrant Register	Rule 202	Form P
5	Form of inventory & Notice	Rule 203	Form Q
6	Arrear Demand Register	Rule 187	Form H
7	Register of Grants	Rule 80	Form No. XLII
8	Jamabandi Register	Rule 170	Form No. XXXVII
9	Register of Lands	Rule 160	Form No. XXXV
10	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
11	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
12	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
13	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
14	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
15	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
16	Loan Register	Rule 149	Form No. XXVII
17	Register of Investments	Rule 148	Form No. XXVI
18	Establishment Audit Register	Rule 146	Form No. XXV
19	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
20	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
21	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
22	Register of outstanding deposits	Rule 143	Form No. XXI
23	Deposit Ledger	Rule 142	Form No. XX
24	Register of Outstanding Advances	Rule 140	Form No. XIX
25	Register of adjustments	Rule 132	Form No. XVII
26	Abstract Register of Receipts	Rule 129	Form No. XV
27	Abstract Register of Expenditure	Rule 129	Form No. XVI
C : List of Records/Registers not Maintained			
S/no	List Records/Register	Rules	Form No
D : List of Records/Registers not Required			
S/no	List Records/Register	Rules	Form No

Comments

Non-maintenance of prescribed records and Registers:-

The following Registers are not maintained at Municipality level. These registers have significant role in the whole accounting Procedure. However the Local Authority is suggested to take effective steps to maintain these Registers.

(a) Investment Register-Investment Register is not maintained at all, as a result of which detail particulars of year old Investments is missing as well as the Municipality is debarred from any gain on the Investments due to absence of records. As per Rule 148 of OM Rules, 1953, a register of Government and other securities held by Municipality as its property shall be maintained in Form No. XXVI. This will show all investments belonging to the Municipality.

(b). Loan Register; Loan Register is not maintained as it was not produced in the current Audit and as well as in the last couple years Audit. Non-maintenance of Loan Register surely affected adversely on the Loan recovery procedural. As per Rule 149 of OM Rules, 1953, a register in form XXVII to be maintained by the Municipality.

(c) Register of adjustment: - Register of adjustments prescribed under Rule 132 of OM Rules, 1953 was not maintained in Form No. XVII. Due to non-maintenance of the said register there is every possibility of non-accounting of adjustment of advance.

(d) Outstanding Advance Ledger:- Outstanding Advance Ledger is not maintained in the Municipality which is prescribed under Rule 140 of OM Rules, 1953 to be maintained in Form No. XIX. In absence of the outstanding advance register, there is every possibility of non-adjustment of advances and lack of supervision on outstanding advance cannot be watched out.

(e) Establishment Audit Register: -Establishment Audit Register prescribed under Rule 146 of the OM Rules, 1953 to be maintained in form No. XXV has not been maintained by the Municipality though it is an important register to watch the audit compliance procedure.

(f) Register of Passbooks: -Register of Passbooks to be maintained by the Cash section though it is important to watch the cash inflow and out flow as there are about 41 numbers of pass books in operation by the Municipality.

(g) Register of Tax on Carriages, Carts, Horses and Other animals: -It is an important register prescribed under Rule 151 of the OM Rules, 1953 to be maintained in form No. XXIX. The register has not been maintained by the Municipality. Due to non-maintenance of the register, the position of collection towards cart, carriages etc. could not be ascertained.

(h) Arrear Demand Register: - As per Rule 187 of the OM Rules, 1953 a register on arrear demand shall be maintained in form number H. The said register has not been maintained by the Municipality. Due to non-maintenance of the register, the Municipality could not have a watch on arrear demand. So, collection of taxes on arrear demands was not done properly.

(i) Assets Register: -The asset register has not been maintained by the Municipality. Without maintenance of the same the asset so generated by the Municipality could not be ascertained. As per instructions of Govt the asset created out of utilization of a particular scheme fund should be maintained distinctively in asset register.

PARA: 4 FINANCIAL POSITION

Bargarh Municipality. Bargarh - 2015-2016

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:)(AUDIT)	Closing Balance as per (DD MM YYYY) Cash Book	Closing Balance(In Rs:)(CASH BOOK)	Difference (In Rs:)	Remarks
1	ACCOUNTANT CASH BOOK	01-04-2015	3937049.479	12073871.209	16010920.688	12832566.500	31-03-2016	3178354.188	31-03-2016	3178354.188	0.00	
2	MBPY CASH BOOK	01-04-2015	1322760.500	34249744.000	47477349.000	25531068.000	31-03-2016	2194628.100	31-03-2016	2194628.100	0.00	
3	SJSRY/NULM	01-04-2015	3387289.70	1785304.00	5172593.70	2882262.95	31-03-2016	2290330.75	31-03-2016	2290330.75	0.00	
4	NFBS	01-04-2015	584208.00	938873.00	1523081.00	660000.00	31-03-2016	863081.00	31-03-2016	863081.00	0.00	
5	LFS CASH BOOK	01-04-2015	2346.00	95.00	2441.00	0.00	31-03-2016	2441.00	31-03-2016	2441.00	0.00	
6	NON-LFS CASH BOOK	01-04-2015	16578.20	1056374.00	1072952.20	1041622.00	31-03-2016	31330.20	31-03-2016	31330.20	0.00	
7	BRGF	01-04-2015	1773429.600	704584.00	1843888.00	6410772.00	31-03-2016	1202810.800	31-03-2016	1202810.800	0.00	
8	AWC	01-04-2015	0.00	5670112.00	5670112.00	1443960.00	31-03-2016	4226152.00	31-03-2016	4226152.00	0.00	
9	13TH FINANCE	01-04-2015	1843699.500	2417390.400	4261089.900	15070053.000	31-03-2016	2754084.600	31-03-2016	2754084.600	0.00	
10	SD CASH BOOK	01-04-2015	1576362.00	1528904.00	3105266.00	2415009.00	31-03-2016	690257.00	31-03-2016	690257.00	0.00	
11	SPL CC/MV CASH BOOK	01-04-2015	2861769.00	10633056.00	13494825.00	837480.00	31-03-2016	1265734.500	31-03-2016	1265734.500	0.00	
12	ROAD DEV	01-04-2015	6433563.00	30468162.00	36901725.00	756762.00	31-03-2016	3614496.300	31-03-2016	3614496.300	0.00	
13	IHSDP CASH BOOK	01-04-2015	4084525.285	1110249.44	41955502.29	6465554.00	31-03-2016	3548994.829	31-03-2016	3548994.829	0.00	
14	SWACHHABHARAT CASH BOOK	01-04-2015	0.00	15519287.00	15519287.00	1226097.00	31-03-2016	1429319.000	31-03-2016	1429319.000	0.00	
15	MPLAD	01-04-2015	428442.83	0.00	428442.83	0.00	31-03-2016	428442.83	31-03-2016	428442.83	0.00	
	GRAND TOTAL		144905202.37	248577360.53	393482562.90	193066304.95		200416257.95		200416257.95	0.00	

Comments

Para No.4.1:- Abstract of Financial Position for the year 2015-16:-

An abstract of financial position of the Municipality for the financial year 2015-16 is furnished below.

SI No	Particulars	Amount
1	Opening Balance at the beginning of the year	144905202.37
2	Receipt during the financial year	248577360.53
3	Total	393482562.90
4	Expenditure during the financial year	193066304.95
5	Closing Balance at the end of the financial year i.e. as on 31.03.2016 (Asper audit)	200416257.95
6	Closing Balance at the end of the financial year i.e. as on 31.03.2016 (Asper cash book)	200416257.95
7	Difference	0.00

Para No.4.2:- Details of Closing Balance of Cash Book as on 31.03.2016:-

SL NO	HEAD OF ACCOUNT	NAME OF BANK	ACCOUNT NUMBER	Amount as per cash book
1	Accountant Cash Book	P/L Account		0.35
2	Accountant Cash Book	SBI Current Account	11042670237	17136354.16
3	Accountant Cash Book	Syndicate Bank	80142200029401	1097558.12
4	Accountant Cash Book	Axis Bank	492010100073653	2673744.00
5	Accountant Cash Book	ADB, Bargarh	10455633204	1674.40
6	Accountant Cash Book	Allahabad C/A	21395644109	175212.00
7	Accountant Cash Book	Allahabad Saving	50112299137	1938574.00
8	Accountant Cash Book	ICICI	62701000389	3186579.00
9	Accountant Cash Book	HDFC	18171450000011	949462.82
10	Accountant Cash Book	IDBI	746104000012856	142993.83
11	Accountant Cash Book	BOI	558510110005458	63415.00
12	Accountant Cash Book	Vijaya Bank	741001101000001	1522329.00
13	Accountant Cash Book	DCB	1031240022001	5517498.20
14	Accountant Cash Book	HDFC	18171450000024	-2621853.00
15	Accountant Cash Book	HDFC	50100079225477	0.00
16	TOTAL			31783541.88
17	LFS	SBI, Bargarh	30333108469	2441.00
18	Non-LFS	SBI, Bargarh	11042700706	31330.20
19	NFBS	IOB, Bargarh	150401000003350	863081.00
20	IHSDP	Syndicate Bank	80142200022336	11807414.64
21	IHSDP	HDFC	18171450000065	23682533.65
22	TOTAL			35489948.29
23	13th FCA	SBI, Bargarh	31294644880	27540846.00
24	BRGF	BOB, Bargarh	32550100004199	12028108.00
25	RD	SBI, Bargarh	31864022986	10906490.00
26	RD	UBI, Bargarh	454011014985	25238473.00
27	TOTAL			36144963.00
28	Special CC	BOI, Bargarh	558510110007400	12657345.00
29	MBPY	SBI, Bargarh	30881868414	786818.00
30	MBPY	ICICI BARGARH	63705001594	21159463.00
31	TOTAL			21946281.00
32	MP LAD	HDFC	18171450000011	428442.83
33	Harishchandra	HDFC	5020002731769	690257.00
34	SJSRY	SDCC, Mahila Branch, Bgh	15053001457	91326.00
35	SJSRY	Andhra Bank, Bargarh	3801100003855	40305.60
36	SJSRY	PNB, Bargarh	4020000100004590	16605.00
37	SJSRY	IOB, Bargarh	1044	14702.00
38	SJSRY	UCO Bank, Bargarh	3609	6697.70
39	SJSRY	Union Bank, Bargarh	369302010001965	10858.40
40	SJSRY	UCO Bank, Bargarh	5808	5792.00
41	SJSRY	UBI, Bargarh	454010024813	282369.00
42	SJSRY	PNB, Bargarh	4020000100004660	16395.00
43	SJSRY	SBI, Bargarh	31058633527	107073.00
44	SJSRY	UGB BGH	12046093063	0.00

45	SJSRY	BOI, Bargarh	558510110011764	1698207.05
46	TOTAL			2290330.75
47	AWC	HDFC BARGARH	50100079225477	4226152.00
48	SWACHHA BHARAT, ACCT CASH BOOK	AXIS BGH	915010037705824	14293190.00
49	GRAND TOTAL			200416257.95

Para No.4.3:- Financial Statement:-

A detailed position of head-wise receipt and expenditure for the financial year 2015-16 is furnished below.

STATEMENT SHOWING DETAILS OF RECEIPT ON THE ACCOUNTS OF BARGARH MUNICIPALITY FOR THE YEAR 2015-16		
Sl No.	Particulars	Receipt
		2015-16
	TAXES	
1	Holding Tax	1275864.90
2	Latrine Tax	207312.10
3	Light Tax	842844.00
4	Water Tax	803887.00
	Total	3129908.00
	LICEENSE AND OTHER FEES	
1	Land R/S	2188552.00
2	Stall rent	1582439.00
3	U/s 290	50318.00
4	Building Plan	1210997.00
5	Lecense Fee	31896.00
6	Trade License	500.00
	Total	5064702.00
	RECEIPT UNDER SPECIAL ACT	
1	Cattle Market	56355.00
2	Parking Fee	327160.00
3	Saleable Form	1045.00
4	User Fee	139470.00
5	RTI Act	505.00
	Total	524535.00
	REVENUE DERIVED FROM MUNICIPAL PROPERTY	
1	Water Tanker	94100.00
2	Gandhi Children Park	140058.00
3	H.C. Dozer	146243.00
4	Cesspool	176300.00
5	Market Fee	1011695.00
6	Mobile Toilet	61364.00
	Total	1629760.00
	GRANT RECEIVED FROM STATE GOVERNMENT(O)	
1	13FC GENERAL PERFORMANCE GRANT	1449000.00
2	14FC Basic grant 2nd Installment	21938000
3	OC GRANT	52989000
4	Road Development	4124000
5	DEVOLUTION FUND 4SFC	25022000
6	MV TAX 4SFC	5392000
7	MAIN ROAD & BRIDGES (N)	4371000.00

8	NON RESIDENTIAL BUILDING	700000.00
9	PERFORMANCE BASED INCENTIVE 3 SFC	2999000.00
10	PUBLIC TOILET	1385100.00
11	SPECIAL DEVELOPMENT(MLA LAD	3150000.00
12	HONORORIUM & TADA	76000.00
13	ARREAR PENSION & BASIC	8262000.00
14	USER & METERING OF WATER SUPPLY	1000000.00
15	Non-LFS pensioners	1050000.00
16	NULM	1649000.00
17	MBPY	34221600.00
18	SWACHHA BHARAT MISSION	15387998.00
19	WODC	800000.00
20	TA/DA of SUDA	25500.00
21	MP LAD Grant	1075000.00
22	Special Dev. Programme (MLA LAD)	3150000.00
23	Boundry wall (Rajmahal) from Collector	200000.00
24	Proction of Govt. Land	100000.00
25	GRANT OF ATTABIRA NAC	30101550.00
	Total	220617748.00
	OTHER THAN GRANT	
1	Census	40640.00
2	NFSA	32400.00
3	Preparation of NPR	20000.00
	Total	93040.00
	DEPOSITS/SD/EMD	
1	EMD	265000.00
2	Security Deposit	50000.00
	Total	315000.00
1	Slum Quarter Rent	1500.00
2	Audit Recovery	11551.00
3	Registration Charges	1113905.00
5	Renewal of Contractor Licence	36500.00
6	Advertisement(Hooding)	1676266.00
7	Unused scrapped materials	91567.00
8	Refund to Municipal fund	45249.00
9	Mobile Tower rent	445730.00
10	Row permission for laying OFC cable	16000.00
11	Bank Interest	5288982.53
	TOTAL	8727250.53
1	Royalty	542708
2	OST	1326796.00
3	Labour Cess	266040.00
4	Income Tax	264612.00
5	Proffesional Tax	231600
6	Empty Cement Bag	87006
7	CPF/EPF	2899391
8	Advance adjusted	2857264
	TOTAL	8475417
	GRAND TOTAL RECEIPTS	248577360.53
	Add Opening balance at the beginning of the year	144905202.37

	GRAND TOTAL	393482562.90
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STATEMENT SHOWING DETAILS OF EXPENDITURE ON THE ACCOUNTS OF BARGARH MUNICIPALITY FOR THE YEAR 2014-15		
Serial No.	Particulars	
		2015-16
I	GENERAL ESTABLISHMENT	
1	Office Establishment Pay	549760.00
2	Office Establishment Grade Pay	193940.00
3	Office Establishment DA	1023834.00
4	Office Establishment HRA	63192.00
5	Office Establishment OA	3500.00
	Total	1834226.00
II	COLLECTION ESTABLISHMENT	
1	Tax Establishment Pay	523483.00
2	Tax Establishment Grade Pay	126399.00
3	Tax Establishment DA	770972.00
4	Tax Establishment HRA	68523.00
	Total	1489377.00
III	OCTROI ESTABLISHMENT	
1	Octroi Establishment Pay	4727379.00
2	Octroi Establishment Grade Pay	657792.00
3	Octroi Establishment DA	4473212.00
4	Octroi Establishment HRA	386855.00
5	Octroi Establishment CA	6000.00
	Total	10251238.00
IV	PUBLIC HEALTH ESTABLISHMENT	
1	Public health Establishment Pay	423976.00
2	Public health Establishment Grade Pay	78987.00
3	Public health Establishment DA	580909.00
4	Public health Establishment HRA	51512.00
	Total	1135384.00
V	WORKS ESTABLISHMENT	
1	Works Establishment Pay	903940.00
2	Works Establishment Grade Pay	184158.00
3	Works Establishment DA	1009341.00
4	Works Establishment HRA	78307.00
	Total	2175746.00
VI	UBS ESTABLISHMENT	
1	UBS Establishment Pay	96010.00
2	UBS Establishment Grade Pay	18000.00
3	UBS Establishment DA	131608.00
4	UBS Establishment HRA	11641.00

5	UBS Establishment IA	1440.00
	Total	258699.00
VII	RC ESTABLISHMENT	
1	RC Establishment Pay	643205.00
2	RC Establishment Grade Pay	133199.00
3	RC Establishment DA	990671.00
4	RC Establishment HRA	83655.00
5	RC Establishment WA	2730.00
	Total	1853460.00
VIII	DRAINAGE ESTABLISHMENT	
1	Drainage Establishment Pay	105209.00
2	Drainage Establishment Grade Pay	18000.00
3	Drainage Establishment DA	137182.00
4	Drainage Establishment HRA	12132.00
5	Drainage Establishment WA	360.00
	Total	272883.00
IX	LATRINE ESTABLISHMENT	
1	Latrine Establishment Pay	181428.00
2	Latrine Establishment Grade Pay	35508.00
3	Latrine Establishment DA	270552.00
4	Latrine Establishment HRA	24264.00
5	Latrine Establishment WA	720.00
	Total	512472.00
X	DNS ESTABLISHMENT	
1	DNS Establishment Pay	768662.00
2	DNS Establishment Grade Pay	199914.00
3	DNS Establishment DA	1249289.00
4	DNS Establishment HRA	101108.00
5	DNS Establishment WA	2460.00
	Total	2321433.00
XI	LR ESTABLISHMENT	
1	LR Establishment Pay	179272.00
2	LR Establishment Grade Pay	35656.00
3	LR Establishment DA	268318.00
4	LR Establishment HRA	23959.00
5	LR Establishment WA	720.00
	Total	507925.00
XII	W/S ESTABLISHMENT	
1	W/S Establishment Pay	60043.00
2	W/S Establishment Grade Pay	15782.00
3	W/S Establishment DA	95770.00
4	W/S Establishment HRA	7920.00
5	W/S Establishment WA	360.00

	Total	179875.00
XIII	SCAVENGING ESTABLISHMENT	
1	Scavenging Establishment Pay	329732.00
2	Scavenging Establishment Grade Pay	139457.00
3	Scavenging Establishment DA	564234.00
4	Scavenging Establishment HRA	50330.00
5	Scavenging Establishment WA	2160.00
	Total	1085913.00
XIV	WORK CHARGE SCAVENGING ESTABLISHMENT	
1	Work Charge Scavenging Establishment Pay	1290646.00
2	Work Charge Scavenging Establishment Grade Pay	566001.00
3	Work Charge Scavenging Establishment DA	2824053.00
	Work Charge Scavenging Establishment HRA	211806.00
4	Work Charge Scavenging Establishment WA	13290.00
	Total	4905796.00
XV	WORK CHARGE PUBLIC WORKS ESTABLISHMENT	
1	Work Charge Public Works Establishment Pay	360816.00
2	Work Charge Public Works Establishment Grade Pay	154160.00
3	Work Charge Public Works Establishment DA	768962.00
	Work Charge Public Works Establishment HRA	57400.00
4	Work Charge Public Works Establishment Less drawn	0.00
	Total	1341338.00
XVI	WORK CHARGE OFFICE ESTABLISHMENT	
1	Work charge Office Establishment Pay	338140.00
2	Work charge Office Establishment Grade Pay	159330.00
3	Work charge Office Establishment DA	780615.00
4	Work charge Office Establishment WA	57700.00
	Total	1335785.00
XVII	DLR ESTABLISHMENT	
1	DLR Public Work Wages	541032.00
2	DLR Other Wages	494615.00
3	NMR Scavenging Wages	2759356.00
4	Wages of outsourcing staff	668040.00
	Total	4463043.00
XVIII	ESTABLISHMENT	
1	Professional Tax Deposit	111850.00
2	LIC Deposit	29795.00
3	GPF Deposit	44813.00
4	EPF Deposit	6342089.00
5	LFS Pension	955977.00
6	Non-LFS Pension	5887928.00
7	Arrear Dues Pension	585657.00
8	Cost of sanitary articles purchased	978581.00

9	Computer expenses	11000.00
10	Gratuity & Unutilised Leave Salary	71896.00
11	Own fund	7538705.00
12	Refund of EMD	145560.00
13	Refund of APS	25142.00
14	Unutilised leave Salary	3154396.00
15	DA Arrears	1135665.00
16	Off Day Allowance	120273.00
17	Legal charges	42500.00
18	Energy charges	1705390.00
19	Maintenance of street light	2530733.00
20	Sitting Allowance to Chairman/Vice-Chairman	27500.00
21	Sitting Allowance to Councilors	27600.00
22	Honorarium to Hemeo Doctor	5000.00
23	Insurance of vehicle	20000.00
	Total	31498050.00
XIX	PUBLIC WORKS	
1	PARK & GREENERY	357069.00
2	PERFORMANCE BASED INCENTIVE	1793839.00
3	ATTABIRA GRANT	37387633.00
4	DHANUJATRA BOUNDARY WALL	158554.00
5	BRGF	5387507.00
6	TOWN HALL	1411904.00
7	NRB	61174.00
8	OC GRANT	45853211.00
9	GENERAL AREA BASIC GRANT 13 FC	4029971.00
10	BASIC GRANT 14 FC	8111497.00
11	ROAD & BRIDGES 13 FC	2053832.00
12	GENERAL PERFORMANCE GRANT 13 FC	874525.00
13	SPL CC	680099.00
14	MOTOR VEHICLE	157381.00
15	SPL PROBLEMS FUND	885867.00
16	ROAD DEVELOPMENT	106224.00
17	DEVOLUTION FUND	650538.00
18	MPLAD	1838282.00
	Total	111799107.00
XXI	OTHERS	
1	Stationary Printing	81045.00
2	Telephone Charges	25726.00
3	Advertisement charges	274357.00
4	Contingency	149825.95
5	Hire charge of vehicle	235209.00

6	Cost of furniture	216109.00
7	Obsequ charges	11000.00
8	Maintenance of Gandhi Children Park	438417.00
9	Maintenance of vehicle	1630553.00
10	Purchase of Machinery	1995141.00
11	Architectural fees	300000.00
12	Programme Expences	284307.00
13	Postage stamp	4000.00
14	NFSA expenses	104400.00
15	Accounting expences	41000.00
16	Cost of Plants	49840.00
17	Bank Charges	3257.00
18	Loan	16500.00
19	NPR	59440.00
20	TA	53880.00
21	RTI DATA up load	3708.00
	Total	5977714.95
XXII	Govt. Dues and Extra ordinary debt	
1	Income tax	197799.00
2	Rolity	425594.00
3	Sale Tax	726456.00
4	Labour Cess	0.00
5	PT	231600.00
6	Advance Paid	3386000.00
7	CPF/EPF	2899391.00
	Total	7866840.00
	GRANT TOTAL RS.	193066304.95
	GRAND TOTAL EXPENDITURE	193066304.95
	Add Closing Balance at the end of the year	200416257.95
	GRAND TOTAL	393482562.90

Para 4.4.Sub-Maintenance of Flexi Accounts instead of Saving Bank Account for parking funds of centrally sponsored schemes:-

As per letter no. 35425/F, dtd.12.10.2012 of Finance Department, Government of Odisha, all Departments were asked to instruct the implementing agencies which are authorized to keep the central share and state share or only central share of the centrally sponsored plan schemes in bank accounts, to keep them in flexi accounts so that higher interest accruals from the scheme funds can be ploughed back to expand the coverage of the scheme without affecting fund flow for the scheme.

The local authority was asked vide POM page No. 13, dated 16.12.2016 whether the funds of central share and state share or only central share of centrally sponsored schemes are kept in flexi accounts so as to accrue higher interests and expand the coverage of the scheme. However, he replied that, "Step has been taken to maintain flexi accounts instead of saving bank account in respect of central schemes." It can be well understood from the reply of the local authority that flexi accounts are not operated by the Municipality. Also after verification of bank pass books it was noticed that no flexi account has been maintained by the Municipality. The local authority is suggested to keep the central share and state share or only central share of the centrally sponsored plan schemes in flexi accounts instead of saving bank account so that higher interest accruals from the scheme funds can be ploughed back to expand the coverage of the scheme without affecting fund flow for the scheme.

Para 4.5.Sub-Non-issue of Miscellaneous Receipt against cheques/BDs received from different funding agencies:-

As per Rule 157 of OM Rules, 1953, for all receipts including those received in form of cheques or BDs, acknowledgement is to be made by

issuing receipts in Form no. XXXIV. Sometimes it is found that BDs/Cheques received are recorded in the BD Register but no receipts are issued against them. If receipts are not issued, the said BDs/Cheque amount may not be accounted for, leading to a loss to the institution. Verified the funds received from the funding agencies through cheques or Bank Drafts. Acknowledgements have been issued by the Municipality for the said cheques/bank drafts received.

Para 4.6.Sub-Lack of coherence between estimated receipt and actual receipt(POM Page 35-36 /13.01.17 :-

As per Rule-56 of Odisha Budget Manual, the estimation of fixed revenue should be based upon the actual demand including arrear and the probabilities of their realization during the year. Odisha Budget Manual read with Section-108(a) of the Odisha Municipal Act, 1950 stipulates that the estimate of income and expenditure should be reasonable and proper. Further, the said rule of the Odisha Budget Manual stipulates that the Budget estimates of revenue and receipts should be based on the existing rates of taxes, duties and fees, etc., and no increase or reduction in such rates and no proposals for abandonment of revenue which have not been sanctioned by Government should be proposed in the estimates.

It would be seen from the following table that there was lack of coherence between the proposed receipt in budget and actual receipt. In the annual budget 2015-16 the total proposed receipt was Rs.134343200.00. But, as against this the actual receipt was Rs.248577360.53. So, there is a difference of 85.03 % between the proposed receipt and actual receipt.

Likewise the proposed expenditure as per annual budget 2015-16 was Rs.70105000.00. As against this the actual expenditure was Rs.193066304.95 So, there is a difference of 175.40 % between the estimated expenditure and actual expenditure.

From the above it is clear that the annual budget was not prepared in a realistic manner, rather it was prepared in a hypothesis manner. The reason for such an unrealistic budget was not attributed by the Executive Officer.

However, the Executive Officer is suggested to prepare realistic budget in future.

Comparison between the budgetary provision and actual receipt and expenditure –

HEAD OF ACCOUNT	AS PER BUDGET	AS PER ACTUAL	DIFFERENCE	% of changes
REVENUE RECEIPT				
PROPERTY & OTHER TAXES	2577300.00	2326021.00	251279.00	9.75%
WATER TAX	900000.00	803887.00	96113.00	10.68%
LICENSE FEE	815900.00	5064702.00	-4248802.00	-520.75%
OCG	50000000.00	52989000.00	-2989000.00	-5.98%
ADVT. TAXES	100000.00	1676266.00	-1576266.00	-1576.27%
OTHER FEE RENT	450000.00	522985.00	-72985.00	-16.22%
INTEREST FROM BANK	675000.00	5288982.53	-4613982.53	-683.55%
TOTAL REVENUE RECEIPT	55518200.00	68671843.53	-13153643.53	-23.69%
CAPITAL RECEIPT				
DEPOSIT WORKS	37000000.00	58810107.00	-21810107.00	-58.95%
SECURITY DEPOSIT	500000.00	315000.00	185000.00	37.00%
OTHER TAX REVENUE	15725000.00	82787819.00	-67062819.00	-426.47%
LAND & STALL	600000.00	3770991.00	-3170991.00	-528.50%
OTHER TAX FEE MBPY/IGNOAP	25000000.00	34221600.00	-9221600.00	-36.89%
TOTAL CAPITAL RECEIPT	78825000.00	179905517.00	-101080517.00	-128.23%
GRAND TOTAL	134343200.00	248577360.53	-114234160.53	-85.03%
	AS PER BUDGET	AS PER ACTUAL		
REVENUE EXPENDITURE				
SALARY & WAGES	38610000.00	35690026.95	2919973.05	7.56%
PENSION	8130000.00	10576484.00	-2446484.00	-30.09%
REPAIR & MAINTENANCE ROAD	14000000.00	137025449.00	-123025449.00	-878.75%
REPAIR & MAINTENANCE BUILDING	565000.00	4393204.00	-3828204.00	-677.56%
TOTAL REVENUE EXPENDITURE	61305000.00	187685163.95	-126380163.95	-206.15%
CAPITAL EXPENDITURE				
PURCHASE OF FIXED ASSETS	7300000.00	1995141.00	5304859.00	72.67%

LOAN & ADVANCESS	1500000.00	3386000.00	-1886000.00	-125.73%
TOTAL CAPITAL EXPENDITURE	8800000.00	5381141.00	3418859.00	38.85%
GRAND TOTAL	70105000.00	193066304.95	-122961304.95	-175.40%

Para No. 4.7:-Assets and Liability:-

The assets and liability position of the Municipality for the financial 2015-16 as on 31.03.2016 is furnished below.

LIABILITY	VALUE	ASSETS	VALUE
LOAN PAYABLE	0.00	INVESTMENT	33000.00
SALARY PAYABLE	3326428.00	OUTSTANDING ADVANCE	1541605.00
ENERGY CHARGES PAYABLE	88006621.00	CLOSING BALANCE OF ALL CASH BOOK	200416257.95
UN REMITTED GOVT. DUES	3214077.00	OUTSTANDING TAXES	6867938.85
DEPOSIT REFUNDABLE	1722750.00	AMOUNT SURCHARGED	160834.00
UNSPENT GRANT	212856423.63		
OUTSTANDING EPF DEPOSIT	2140350.00		
LIABILITY OVER ASSETS			102247013.83
TOTAL	311266649.63		311266649.63

It would be seen from the above table that the liability of the Municipality is Rs.10,22,47,013.83 over the assets. So, it is clear that the financial position of the Municipality is not solvent. The unsound financial condition of the Municipality is the outcome of huge outstanding dues of energy charges. The Executive Officer and the Council are suggested to increase the assets of the Municipality by revision of tax, collection of tax and make the Municipality solvent in financial position.

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

Bargarh Municipality, Bargarh - 2015-2016

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		31-03-2016	217475658.86	31-03-2016	200416257.95	17059400.91	The details of difference between pass books and cash books are described below.
	GRAND TOTAL			217475658.86		200416257.95	17059400.91	

Reconciliation

The details of difference between the pass books and cash books for the year 2015-16 are furnished below.

SL NO	HEAD OF ACCOUNT	NAME OF BANK	ACCOUNT NUMBER	Amount as per pass book	Amount as per cash book	DIFFERENCE
1	Accountant Cash Book	P/L Account		0.35	0.35	0.00
2	Accountant Cash Book	SBI Current Account	11042670237	14669575.16	17136354.16	-2466779.00
3	Accountant Cash Book	Syndicate Bank	80142200029401	172265.21	1097558.12	-925292.91
4	Accountant Cash Book	Axis Bank	492010100073653	2612895.00	2673744.00	-60849.00
5	Accountant Cash Book	ADB, Bargarh	10455633204	0.00	1674.40	-1674.40
6	Accountant Cash Book	Allahabad C/A	21395644109	0.00	175212.00	-175212.00
7	Accountant Cash Book	Allahabad Saving	50112299137	1325155.00	1938574.00	-613419.00
8	Accountant Cash Book	ICICI	62701000389	3185279.00	3186579.00	-1300.00
9	Accountant Cash Book	HDFC	18171450000011	3396767.80	949462.82	2447304.98
10	Accountant Cash Book	IDBI	746104000012856	8450268.00	142993.83	8307274.17
11	Accountant Cash Book	BOI	558510110005458	66901.00	63415.00	3486.00
12	Accountant Cash Book	Vijaya Bank	741001101000001	1488468.00	1522329.00	-33861.00
13	Accountant Cash Book	DCB	1031240022001	5520298.20	5517498.20	2800.00
14	Accountant Cash Book	HDFC	18171450000024	1903878.00	-2621853.00	4525731.00
15	Accountant Cash Book	HDFC	50100079225477	4270958.50	0.00	4270958.50
16	TOTAL				31783541.88	
17	LFS	SBI, Bargarh	30333108469	2441.00	2441.00	0.00
18	Non-LFS	SBI, Bargarh	11042700706	31330.20	31330.20	0.00
19	NFBS	IOB, Bargarh	150401000003350	863081.00	863081.00	0.00
20	IHSDP	Syndicate Bank	80142200022336	11973680.64	11807414.64	166266.00
21	IHSDP	HDFC	18171450000065	23682533.65	23682533.65	0.00
22	TOTAL				35489948.29	
23	13th FCA	SBI, Bargarh	31294644880	29660592.00	27540846.00	2119746.00
24	BRGF	BOB, Bargarh	32550100004199	12551326.00	12028108.00	523218.00
25	RD	SBI, Bargarh	31864022986	10906490.00	10906490.00	0.00
26	RD	UBI, Bargarh	454011014985	25774409.00	25238473.00	535936.00

27	TOTAL				36144963.00	
28	Special CC	BOI, Bargarh	558510110007400	12698421.00	12657345.00	41076.00
29	MBPY	SBI, Bargarh	30881868414	786818.00	786818.00	0.00
30	MBPY	ICICI BARGARH	63705001594	24090842.00	21159463.00	2931379.00
31	TOTAL				21946281.00	
32	MP LAD	HDFC	18171450000011	0.00	428442.83	-428442.83
33	Harishchandra	HDFC	5020002731769	701946.00	690257.00	11689.00
34	SJSRY	SDCC, Mahila Branch, Bgh	15053001457	91326.00	91326.00	0.00
35	SJSRY	Andhra Bank, Bargarh	3801100003855	40305.00	40305.60	-0.60
36	SJSRY	PNB, Bargarh	4020000100004590	16605.00	16605.00	0.00
37	SJSRY	IOB, Bargarh	1044	14702.00	14702.00	0.00
38	SJSRY	UCO Bank, Bargarh	3609	6697.70	6697.70	0.00
39	SJSRY	Union Bank, Bargarh	369302010001965	10858.40	10858.40	0.00
40	SJSRY	UCO Bank, Bargarh	5808	5792.00	5792.00	0.00
41	SJSRY	UBI, Bargarh	454010024813	282369.00	282369.00	0.00
42	SJSRY	PNB, Bargarh	4020000100004660	16395.00	16395.00	0.00
43	SJSRY	SBI, Bargarh	31058633527	104968.00	107073.00	-2105.00
44	SJSRY	UGB BGH	12046093063	24876.00	0.00	24876.00
45	SJSRY	BOI, Bargarh	558510110011764	1780955.05	1698207.05	82748.00
46	TOTAL				2290330.75	
47	AWC	HDFC BARGARH	50100079225477	0.00	4226152.00	-4226152.00
48	SWACHHA BHARAT, ACCT CASH BOOK	AXIS BGH	915010037705824	14293190.00	14293190.00	0.00
49	GRAND TOTAL			217475658.86	200416257.95	17059400.91

Para 5.2.Details of difference between the Closing Balance as per Bank Pass Books and Cash Book Bank Balance figure (POM page No.38-45,dated 17.01.2017):-

It would be seen from the above table that the closing balance of bank as mentioned in the cash book as on 31.03.2016 was Rs.200416257.95 and the actual closing balance of bank pass books as on 31.03.2016 was Rs.217475658.86 . So, there is a difference of Rs.17059400.91 in between the cash books and pass books closing balance figures as on 31.03.2016. POM page No.38-45, dated 17.01.2017 was issued to the local authority to intimate audit the reason for such difference.

But, the local authority failed to sort out the detail of difference. The local authority replied that some bank accounts have been reconciled and rest will be done subsequently. But, the local authority failed to produce the reconciliation statement prepared by him. In absence of the reconciliation statement, the details of reconciliation cannot be verified.

However, the local authority is once again suggested to pay special attention to reconcile the difference between the cash book and pass book and produce before next audit for verification. Till then Rs.17059400.91 is kept under objection.

Para No. 5.3:- Reconciliation of bank pass book with cash book (POM page No.38-45,dated 17.01.2017):-

As per Rule 128 of Odisha Municipal Rules, 1953, the cash book shall be balanced at the close of every month and signed by the Executive Officer in token of the correctness of every entry made therein. The balance brought out shall be stated both in words and figures and shall be agreed to the balance shown in the pass book of the municipality.

As per letter No.15847/F, dtd.27.04.2013 of Finance department, the DDO shall maintain a register of reconciliation of receipts and disbursements of scheme funds.

During the course of audit, it was revealed that bank reconciliation state ment was not prepared and register of reconciliation was not maintained in the Municipality.

The Executive Officer has not exercised any supervision over the duty entrusted to the Accountant for reconciliation of bank pass book with cash book. Due to non-reconciliation of bank pass book with cash book, the exact difference between the bank pass book and cash book could

not be ascertained. Further, non-reconciliation of bank pass book with cash book may lead to mis-utilization, misappropriation and embezzlement of funds. If any mis-utilization, misappropriation and embezzlement of funds will be detected in future, the Accountant and Executive Officer will be held responsible.

However, the present audit has prepared a reconciliation statement on verification of bank pass books with reference to cash books and reconciled 40.66 % of the total differential amount. The reconciliation statement is furnished below:-

SI No	CASH BOOK NAME	A/C NO.	SCHEME	
1	SWACHHA BHARAT MISSION	915010037705824	IHHL/CT/PT	
	AS PER PASS BOOK	14293190		
	AS PER CASH BOOK	14231240		
	DIFFERENCE	61950		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	CH.NO. 143715	ENCASH DT 05.04.16	44000
		CH.NO.143712	ENCASH DT 13.04.16	17950
				61950
	CASH BOOK NAME	A/C NO.	SCHEME	
2	AWC	50100079225477	AWC BUILDING	
	AS PER PASS BOOK	4270958.5		
	AS PER CASH BOOK	4226037.5		
	DIFFERENCE	44921		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	CH.NO. 007	ENCASH DT 04.04.16	44921
	CASH BOOK NAME	A/C NO.	SCHEME	
3	ROAD DEVELOPMENT	31864022986	RD,R&B	
	AS PER PASS BOOK	10906490		
	AS PER CASH BOOK	7519490		
	DIFFERENCE	3387000		
	DETAIL OF DIFFERENCE			
	Fund of 13TH FC available in RD pas book but not in cash book	3387000/ 13TH FC MONEY		3387000
	CASH BOOK NAME	A/C NO.	SCHEME	
4	ROAD DEVELOPMENT	454011014985	DEVOLUTION FUND	
	AS PER PASS BOOK	25774409		
	AS PER CASH BOOK	25238473		
	DIFFERENCE	535936		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	530013	04.04.16	54021
		530014	02.04.16	415361
		530014	04.04.16	66554
				535936
	CASH BOOK NAME	A/C NO.	SCHEME	
5	BRGF	32550100004199	BRGF	
	AS PER PASS BOOK	12551326		
	AS PER CASH BOOK	12028108		

	DIFFERENCE	523218		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	159	04.04.16	523218
	CASH BOOK NAME	A/C NO.	SCHEME	
	13 FC & 14FC	31294644880	13 FC	
	AS PER PASS BOOK	29660592		
	AS PER CASH BOOK	27540846		
	DIFFERENCE	2119746		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	276386	04.04.16	545531
		276388	04.04.16	74215
		276389	04.04.16	1500000
				2119746
	CASH BOOK NAME	A/C NO.	SCHEME	
6	SPL CC	558510110007400	SPL CC, MV	
	AS PER PASS BOOK	12698421		
	AS PER CASH BOOK	12657345		
	DIFFERENCE	41076		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	673588	04.04.16	41076
	CASH BOOK NAME	A/C NO.	SCHEME	
7	SD/HARICCHANDRA	1769	SD	
	AS PER PASS BOOK	701946		
	AS PER CASH BOOK	690257		
	DIFFERENCE	11689		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	108	09.05.16	11689
	CASH BOOK NAME	A/C NO.	SCHEME	
8	IHSDP	80142200022336	IHSDP	
	AS PER PASS BOOK	11973680.64		
	AS PER CASH BOOK	11807414.64		
	DIFFERENCE	166266		
	DETAIL OF DIFFERENCE			
	Cheque not encashed as on 31.03.16	3817	02.04.16	3112
		3821	02.04.16	18151
		3824	02.04.16	33609
		3827	04.04.16	18150
		3828	04.04.16	39822
		3830	02.04.16	21911
		3829	04.04.16	31511

				166266
	GRAND TOTAL			6936723

Para No. 5.4:- Less closing balance in pass book than the cash book:-

On checking of the actual closing balance of bank pass book and closing balance of bank pass book as mentioned in the cash book as on 31.03.2016, it was seen that the following bank balances were less than the bank balance as mentioned in the cash book.

SL NO	HEAD OF ACCOUNT	NAME OF BANK	ACCOUNT NUMBER	Amount as per pass book	Amount as per cash book	DIFFERENCE
1	Accountant Cash Book	SBI Current Account	11042670237	14669575.16	17136354.16	-2466779.00
2	Accountant Cash Book	Syndicate Bank	80142200029401	172265.21	1097558.12	-925292.91
3	Accountant Cash Book	Axis Bank	492010100073653	2612895.00	2673744.00	-60849.00
4	Accountant Cash Book	ADB, Bargarh	10455633204	0.00	1674.40	-1674.40
5	Accountant Cash Book	Allahabad C/A	21395644109	0.00	175212.00	-175212.00
6	Accountant Cash Book	Allahabad Saving	50112299137	1325155.00	1938574.00	-613419.00
7	Accountant Cash Book	ICICI	62701000389	3185279.00	3186579.00	-1300.00
8	Accountant Cash Book	Vijaya Bank	741001101000001	1488468.00	1522329.00	-33861.00
9	MP LAD	HDFC	18171450000011	0.00	428442.83	-428442.83
10	SJSRY	Andhra Bank, Bargarh	3801100003855	40305.00	40305.60	-0.60
11	SJSRY	SBI, Bargarh	31058633527	104968.00	107073.00	-2105.00
12	AWC	HDFC BARGARH	50100079225477	0.00	4226152.00	-4226152.00
	GRAND TOTAL					-8935087.74

Due to less closing balance in bank pass book than the Cash Book, the cases of misappropriation of cash cannot be ruled out. If any complicity will arise in future for the said discrepancies, the local authority will be held responsible for the lapse. In reply to the objection memo, the local authority replied that due to non maintenance of one scheme one account, some of the bank accounts are surplus and some of the accounts are rationally less which will be reconciled and produced before audit.

The local authority is suggested to reconcile the pass books and cash books and produce before next audit for verification.

Para No. 5.5 :- Sub-Irregular maintenance of accounts(POM Page 71 to 73) :-

On verification of cash books and pass books of the Municipality for the year 2015-16, it was revealed that one scheme one account has not been followed violating the Govt. instruction and multiple bank accounts are being maintained in a single scheme. The EO is advised to abide by the govt. instruction and maintain one scheme one account hence forth. The details are described below.

A. Multiple bank a/c in one scheme.

	1.SJSRY-NULM	
1	BOI BGH	558510110011764
2	SBI BGH	31058633527
3	PNB BGH	4663
4	UCO BANK BGH	3609
5	UCO BANK BGH	5808
6	PNB BGH	4020000100004590
7	INDIAN OVERSEAS BANK BGH	1044
8	ANDHRA BANK BGH	3810011003855
9	UNION BANK OF INDIA,BGH	365302010001965

11	SDCC BGH	15053001457
12	UNITED BANK OF INDIA,BGH	454010024813
	2.IHSDP	
1	SYNDICATE BANK BGH	80142200022336
2	HDFC BARGARH	18171450000065
	3.TFC	
1	SBI BARGARH	31294644880
2	UGB BGH	12046093063
	4.MBPY	
1	ICICI BANK BGH	63705001594
2	SBI BGH	30881868414
	5.MV TAX	
1	BOI BGH	558510110007400
2	IDBI BANK BGH	746104000012856
	6.SWACHHA BHARAT MISSION	
1	AXIS BGH	915010037705824
2	DCB BGB	10312400220001
	7.OWN FUND-ACCT CASH BOOK	
1	HDFC BARGARH	18171450000011
2	ALLAHBAD BANK BGH	50112299137
3	BOI BGH	558510110005458
4	DCB BGB	10312400220001
5	AXIS BGH	915010037705824
6	AXIS BGH	492010100073653
7	ICICI BANK BGH	62701000389
8	IDBI BANK BGH	746104000012856
9	VIJAYA BANK,BGH	741001101000001
10	SYNDICATE BANK BGH	80142200029401
11	SBI C/A	11042670237
12	SBI ADB	10455633204
13	ALLAHBAD BANK BGH C/A	21395644109

B. Multiple schemes in one bank a/c-

1	BOI BGH A/C-558510110007400
	Special CC,MV
	Maintenance of road and bridges
	maintenance of Non Residential Buildings

	Festival grants
2	IDBI BANK BGH A/C-746104000012856
	Park and Greenary, Performance based incentives,
	Dhanuyatra, Boundary wall, Motor Vehicle,
	Attabira Grants
3	ICICI BANK BGH, A/C-62701000389
	BRGF Salary, Town Hall,
	Non Residential Buildings, OC Grants
4	DCB BGB, A/C-10312400220001
	Own Funds, SPF, MLALAD, SBM money
5	SBI BGH, A/C-31864022986
	RD, Public Toilet (SBM), Road & Bridges

Para 5.6. Sub-Parking of Municipality funds in ineligible banks:-

As mentioned in letter No. 23301/F, dt. 11.07.2013, 17 numbers of Public Sector bank, 4 private sector bank, 2 RRBs and the Odisha State Co-operative Banks are eligible to handle the business and the deposits of State Public Sector Undertakings and State Level Autonomous

Societies. Present Audit of the Municipality revealed that the transactions were made and funds were parked in the following ineligible banks violating the above instruction. However, the local authority is suggested to follow the instruction contained in the above letter and withdraw the amount and park the funds in eligible banks only. The details of parking of funds in ineligible banks are furnished below.

SL NO	NAME OF BANK	ACCOUNT NUMBER	AMOUNT IN BANK	HEAD
1	DCB BGB	10312400220001	5520298.20	SPF, MUN FUND-ACCT
2	VIJAYA BANK, BGH	741001101000001	1488468.00	ACCT-CENSUS, PROTECTION OF GOVT LAND

Para No.5.7- Maintenance of Flexi Account instead of saving bank account for parking of centrally sponsored schemes:-

As per letter No. 35425/F, dtd. 12.10.2012, all departments were asked to instruct the implementing agencies which are authorized to keep the Central share and State share or only central share of the centrally sponsored plan schemes in bank accounts, to keep them in flexi accounts so that higher rate of interest accruals from the scheme funds can be ploughed back to expand the coverage of the scheme without affecting fund flow for the scheme. But, on verification of the cash books, it was revealed that, funds of central schemes like NOAP, MGNREGS, 13th FCA etc. and state schemes like BRGF, GGY, CC Road etc. have been kept in saving bank accounts. Had the said funds kept in flexi accounts, the Municipality would have accrued higher interest in comparison to saving bank account. Due to non-keeping of scheme funds in flexi accounts, the Municipality has been deprived of getting higher interest. So, the local authority is suggested to keep funds of central scheme, state scheme, and centrally sponsored scheme in flexi accounts in consultation with the bankers so as to earn higher interest.

Para No.5.8- Sub-Parking of Municipal funds outside the domain in the cash books:-

The local authority was asked to furnish the parking of Municipal funds outside the domain in the cash books for the year 2015-16 through objection memos. In reply, the local authority replied that there is no such fund parked outside the domain in the cash books

Para No.5.9- Sub-NON MAINTENANCE OF DOUBLE ENTRY ACCRUAL BASED ACCOUNTING SYSTEM (DEABAS) as per Odisha Municipal (Accounts) Rules -2012 (OMAR) in Bargarh municipality w.e.f. 1st October- 2013 :

As per the directive of Govt. in H&UD Deptt (O) issued vide Letter No-24970 /HUD, BBSR Dtd 7.8.2013 Double entry accrual based accounting system (DEABAS) as per Odisha Municipal (Accounts) Rules 2012 should have been maintained in Bargarh municipality with effect from October 2013. But on verification of accounts it was found that DEABAS has not been maintained in the Municipality. As such the audit work was conducted on Manual cash books. Due to non-maintenance of the DEABAS as per Odisha Municipal Rule-2012 the very purpose of the above directive of the Govt. has been defeated.

Hence the Executive Officer is impressed upon to ensure early maintenance of the above accounting system prescribed by the Govt. and produce before next audit.

PARA: 6 STOCK POSITION

Bargarh Municipality. Bargarh - 2015-2016

S/no	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	ELECTRICAL, SANITATION AND COMPUTER STOCKS				0.00		The stock position of different stocks for the year 2015-16 are furnished below.

Comments

The stock positions of different stocks for the year 2015-16 are furnished below.

STOCK POSITION OF ELECTRICAL SECTION								
Sl no.	Name of the Item	OB as on 1.4.15	Receipt during 15-16	Total	Issued during 15-16	CB as on 31.3.16	Stock Register Page No.	Remarks
1	Tube light 36/40 watt	46	800	846	781	65	315	
2	Tube choke 30/40 watt	92	400	492	391	101	39	
3	Stater	93		93	10	83	41	
4	Tube holder	87	400	487	365	122	53	
5	Black tap	33	80	113	88	25	66	
6	Plastic Were 30/76 mm	100 mtr	80 mtr	180	150	30	71	
7	Service were 2.5mm	17 mtr	1080 mtr	1097	310	787	78	
8	service were 4mm	897 mtr	450 mtr	1247	638	609	87	
9	10 mm service were	32 mtr		32	32	nil	100	
10	1.5mm multy stand were	76mtr	90 mtr	166	96	70	105	
11	MV Lamp 250 watt	5		5	5	nil	112	
12	70 watt SV Lamp	28	54	82	69	13	18	
13	250 watt SV lamp	41	90	131	116	15	128	
14	SV lamp 40 watt	27	48	75	68	7	133	
15	Metal lamp 250 watt (HPIT)	6	24	30	19	11	135	
16	Metal lamp 400 watt (HPIT0	12	44	56	43	13	139	
17	70 watt SV Choke	20	48	68	59	9	146	
18	250 watt SV choke	26	54	80	80	nil	154	
19	400 watt SV choke	17	48	65	65	nil	159	
20	250 watt SV ignator	21	72	93	93	nil	165	
21	250 watt SV holder	17	36	53	26	27	170	
22	SV/MV holder 70/125 watt	12	24	36	10	26	173	
23	36 watt master tube holder	8		8	3	5	176	
24	T5 holder 24 watt	42	100	142	57	85	179	
25	10 MFD capacitor	7		7	0	7	181	
26	33 MFD caapcitor	22	50	72	52	20	187	
27	1' G.I Band pipe	96	150	246	59	187	197	
28	2' G.I Band pipe	151	100	251	60	191	205	
29	G.I were	0	20 kg	20	20	nil	211	
30	plan bulb 100 watt	6	24	30	25	5	220	
31	pendent holder	7	6	13	8	5	225	
32	cutout 63 MPR	10	0	10	0	10	228	

33	100 MPR cutout	5	0	5	1	4	231	
34	200 MPR cutout	4	0	4	1	3	234	
35	18 watt CFL lamp	5	30	35	35	nil	236	
36	23 watt CFL lamp	5	10	15	15	nil	239	
37	32 watt CFL lamp	11	50	61	56	5	318	
38	36 watt master tube	11	36	47	41	6	247	
39	32.MPR.MCB (4X1) set	4		4	1	3	251	
40	24 watt T5 lamp	0	2400	2400	2003	397	262	
41	T5 choke 24 watt	0	400	400	338	62	320	
42	T5 fitting (2x24)	0	150	150	50	100	270	
43	T5 fitting (4x24)	57	50	107	37	70	274	
44	Bambo leader	0	6	6	0		283	
45	Reparing parts	0	0	0	0		287	
46	Bed Switch	7	20	27	26	1	292	
47	clamp with not bolt set	818	0	818	58	760	301	
48	DP switch	1	18	19	16	3	306	
49	Heavy connector single	6	0	6	4	2	308	
50	Heavy connetor (4'x1') 3 face	4	0	4	0	4	309	
51	Multy stand were 6mm	90 mtr	0	90	17	73 mtr	310	
52	25mm 4 core alluminium armed cable	0	70	70	0	70	312	
STOCK POSITION OF SANITATION SECTION								
1	WHEEL BORROW	23	50	73	47	26	66	
2	BLECHING POWDER	1739	10000	11739	9839	1900	60	
3	LIME POWDER	1875	6000	7875	7500	375	28	
4	SADA KODI	54		54	18	36	41	
5	KANTA KODI	86	20	106	47	59	46	
6	DALA(BOMBOO BASKET)	86	200	286	273	13	85	
7	IRON RAFA	65		65	12	53	35	
8	HAND GLOVES	50	0	50	0	50	141	
9	MALIRIA OIL	10	1000	1010	960	50	115	
10	PHUL JHADU	35	0	35	25	10	101	
11	BELCHA	33	50	83	70	13	142	
12	JHADU	2072	2000	4072	3030	1042	7	
13	LONG HANDLE BROOM STICK	40		40		40	143	
14	DRAIN BRUSH	455	600	1055	390	665	24	
15	FOGING MAC. LEQUIDE	0	15	15	15	0	131	
16	CESSPOOL VALVE	0	2	2	1	1	128	
17	CESSPOOL PIPE	0	100	100	100	0	128	
18	SABAL BIG	0	5	5	5	0	97	
19	MASK	0	50	50	50	0	97	
20	TANGIA (SMALL	0	5	5	5	0	97	
21	TANGIA (BIG	0	5	5	5	0	97	
22	GHAN BIG	0	3	3	3	0	96	
23	DAA	0	6	6	6	0	96	
24	RICKSHOW	0	4	4	0	4	111	
25	Lock	0	6	6	6	0	85	
26	CHAIR	0	1	1	1	0	85	

27	OFFIE FURNITURE	0	27	27	27	0	92	
28	NET PLASTIC	0	4	4	4	0	91	
29	PLATI RASI	0	30.5	30.5	30.5	0	91	
30	BIAMETRIC MACHINE	0	2	2	1	1	91	
31	SOUND SYSTEM	0	1	1	1	0	96	
32	NAPKIN	0	2	2	2	0	99	
33	CEMENT GAMALA	0	60	60	60	0	100	
34	CC TV CAMERA	0	24	24	24	0	104	
35	TV	0	2	2	2	0	104	
36	GRASS CUTTER	1	0	0	0	1	145	
STOCK POSITION OF VEHICLE SECTION								
37	ROAD SWEEPING MACHINE	1	0	1	0	1	146	
38	TRACTOR	5	1	6	0	6	147	
39	DOZER	1	0	1	0	1	148	
40	TATA ACE	6	0	6	0	6	149	
41	WATER TANKER	6	0	6	0	6	150	
42	FOGING MACHINE	2	0	2	0	2	151	
43	AUTO TIPPER	3	0	3	0	3	152	
44	CESSPOOL (3000 LTS)	1	0	1	0	1	153	
45	MINI CESSPOOL (1500 LTS)	0	1	1	0	1	81	
46	DRAINCLEANING MACHINE	0	1	1	0	1	81	
47	BATTRY	0	5	5	5	0	84	
48	TYRE & TUBE	0	10	10	10	0	101	
STOCK POSITION OF COMPUTER SECTION								
1	COMPUTER	15	5	20	2	18	154	
2	UPS	22	0	22	0	22	155	
3	PRINTER	12	0	12	0	12	156	
4	SCANNER	1	1	2	0	2	157	
5	CATRITGE	0	4	4	4	0	85	
6	ZEROX MACHINE	2	0	2	0	2	158	
STOCK POSITION OF DEVELOPMENT SECTION (WORKS SECTION)								
1.	AC 2 TON	0	8	8	0	8	4	
2	STABILIZER	0	8	8	0	8	4	
3	LEVELLING MACHINE	1	0	1	0	1	4	

Para No.6.1:- Maintenance of Dead Stock Register:-

As per Rule 106 of O.G.F.R., an inventory of the dead stock should be maintained in all government offices in form O.G.F.R. 6 showing the number received, the number disposed of (by transfer, sale, loss, etc.) and the balance in hand for each kind of article. Whether an inventory of the dead stock has been maintained in form OGFR- 6 was asked to the local authority on issue of POM page No. 106 dated 07.03.17. The local authority failed to furnish any reply. So, it was concluded that no inventory of the dead stock was maintained by the Municipality. The local authority is suggested to maintain dead stock register and produce before the next audit for verification.

Para No.6.2:- Checking of inventory of stock:-

Whether there was any discrepancy noticed in between the physical and book balance of the store. This question was put to the local authority vide POM page No106 dated 07.03.17. The local authority failed to furnish any reply. So, it was established that the discrepancy was not worked out by the Municipality.

However, the local authority is suggested to maintain a dead stock register in form number OGFR- 6 and work out the discrepancy between the physical and book balance of the store.

Para No.6.3:- Physical verification of stores:-

As per Rule 106 (iii) of O.G.F.R., the inventory should be checked by the competent administrative authority once a year and a certificate of the result of check recorded. As per Rule 106 (IV) of O.G.F.R., articles of dead stock should be verified at least once a year and the result of verification recorded on the inventory. All discrepancies noticed must be proper investigated and brought to account immediately so that the inventory may represent the true account.

As per Rule 111 of O.G.F.R., a physical verification of all stores should be made at least once in every year by the Head of Office concerned or such other as may be specially authorized by him. Non conduct of physical verification of all stores may leads to loss, damage and mis-utilization of stores.

It was asked to the local authority on issue of POM page No. 106 dated 07.03.17- Whether the inventory was checked by the Executive Officer during the year 2015-16 and certificate to that effect has been given by the Executive Officer and Whether physical verification of all stores was conducted by the Executive Officer or any officials authorized by him during the year 2015-16. The local authority failed to furnish any reply. So, it was established that the inventory was not checked by the Executive Officer during the year 2015-16 and certificate to that effect has not been given by the Executive Officer. In absence of proper physical checking of the dead stock with reference to the dead stock, the possibility of loss, depreciation and damage of store cannot be ruled out. For any loss, depreciation and damage of store, the Store-in-charge and the Executive Officer will be held responsible in future.

PARA: 7 INVESTMENT

Bargarh Municipality. Bargarh - 2015-2016

SNo	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	01-04-2015	33000.00	0.00	33000.00	0.00	31-03-2016	33000.00	31-03-2016	0.00	33000.00	Due to non production of invest ledger,the CB as per ledger is taken as 0.00.Also the investment is not included in any cash book.
	GRAND TOTAL	33000.00	0.00	33000.00	0.00		33000.00		0.00	33000.00	

DETAILS OF CB ON INVESTMENT & Comments :

Para No.7.1:- Investment position:-

The local authority was requested to furnish the investment position during the financial year 2015-16 (POM page No.35 dated 13.01.2017). The local authority failed to furnish the investment position along with the investment ledger of the Municipality for the financial year 2015-16. However, the investment position was prepared basing the last audit report. As per last audit report a sum of Rs.33000.00 was made investment by the Municipality. The date of investment, particular of investment, rate of interest, date of maturity and matured value could not be ascertained from the last audit report and the local authority. However, it has been mentioned in the last audit report that the investment is not included in any cash book.

The local authority is suggested to furnish the investment position to next audit. The investment amount may also be taken to the Cash Book and compliance reported to next audit.

Para No.7.2:- Production of records on investment -

Irregular and injudicious deposit of funds in fixed deposits:-Section 115 of the Odisha Municipal Act, 1950 provides that the municipality may invest any money not required for immediate expense, either in Government security or in any other form with approval of the State Government.

The local authority was suggested to furnish –

- 1.Whether the Municipality has invested any money not required for immediate expenses .
 - 2.Timely receipt of interest and deduction/non-deduction of Income Tax on interest:-Whether there is any occasion in which income tax has been deducted from the interest earned on investment.
 3. Non-maintenance of Investment Register:-As per Rule 148 of the Odisha Municipal Rules, 1953 a register of Government and other securities held by the municipality should be maintained. The total amount of the securities in custody of A.G (0) should be verified along with custody of the Chairman himself.
- The reason for non-maintenance of the register may be stated.
- 4.Whether there was any such occasion in which premature withdrawal or liquidation of fixed deposits/ term deposits was made.
 - 5.Irregular retention of Grant fund in Fixed Deposit:-Investment of grant funds in fixed/term deposits is prohibited. Grant fund should either be utilized for the specific purpose or surrendered to the granting agency in case of non-utilization.

In response to POM issued in this regard vide page-106 to 107,no reply was furnished by the local authority.The local authority is advised to trace out the investment position and keep the investment register up to date under compliance to audit.

Para No.7.3:- Timely receipt of interest and deduction/non-deduction of Income Tax on interest:-

Whether there is any occasion in which income tax has been deducted from the interest earned on investment was sought form the local

authority on issue of POM page No. 35 dated 13.01.2017.

Para No.7.4:- Non-maintenance of Investment Register:-

As per Rule 148 of the Odisha Municipal Rules, 1953 a register of Government and other securities held by the municipality should be maintained. The total amount of the securities in custody of A.G (0) should be verified along with custody of the Chairman himself.

The local authority was asked on issues of POM page No. 35 dated 13.01.17 whether the said register has been maintained and verified according to above provision. But, it is a matter of regret that the Executive Officer could not furnish any reply. Had the register maintained, the Executive Officer could have produced the register before audit for verification. It has been mentioned in the last report that the register was not maintained. So, it was concluded that the register has not been maintained. The reason for non-maintenance of the register was asked to the local authority on issues of POM page No. 35 dated 13.01.17 .No reason was attributed by the Executive Officer for non-maintenance of the register.However, the Executive Officer is suggested to maintain the register in form number XXVI and produce before the next audit for verification.

Para No.7.5:- Premature withdrawal of Investment:-

In case of premature withdrawal or liquidation of fixed deposits/ term deposits without any valid reason, there is every possibility of loss of interest.

The local authority was asked on the issues through POM page No. 35 dated 13.01.17 and POM P-106 to 107,dated 07.03.17,whether there was any such occasion in which premature withdrawal or liquidation of fixed deposits/ term deposits was made.No reply was furnished by the local authority. However, the local authority is suggested to refrain from premature withdrawal of the investment.

Para No.7.6:- Irregular retention of Grant fund in Fixed Deposit:-

Investment of grant funds in fixed/term deposits is prohibited. Grant fund should either be utilized for the specific purpose or surrendered to the granting agency in case of non-utilization. The local authority is suggested to pay attention in this regard.

PARA: 8 ADVANCE

Bargarh Municipality, Bargarh - 2015-2016

SNo	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	01-04-2015	ACCOUNTANT CASH BOOK	1012869.00	3386000.00	4398869.00	2857264.00	31-03-2016	1541605.00	31-03-2016	1468605.00	73000.00	The difference of advance is furnished below.
	GRAND TOTAL		1012869.00	3386000.00	4398869.00	2857264.00		1541605.00		1468605.00	73000.00	

Comments :

Abstract of advance position for the financial year 2015-16 :-

SI No	Particulars	Amount in Rs
1	Advance outstanding as on 01.04.2015	1012869.00
2	Advance paid during the year	3386000.00
3	Total	4398869.00
4	Advance adjusted during the year	2857264.00
5	Advance outstanding as on 31.03.2016(As per Audit)	1541605.00
6	Advance outstanding as on 31.03.2016 (As per Cash Book)	1468605.00
7	Difference, if any	73000.00
	Reason of difference- As per previous audit (AR No. 121493/2015-16)	
	(Deduct) Advance paid during the year 2013-14 not reflected in the cash book/last audit report	127000.00
	(Add) Advance adjusted during the year 2013-14 not reflected in the cash book/last audit report	200000.00
	Difference	73000.00

2.YEAR WISE ADJUSTMENT OF ADVANCE IN 2015-16-

Year wise adjustment	Amount
2015-16	1987400
2014-15	868719
2012-13	1145
	2857264

Para No.8.3 Details of advance paid during the financial year 2015-16 and not adjusted in the financial year 2015-16:-

It would be seen from the following table that advance to the tune of Rs.33,86,000.00 was paid during the financial year 2015-16 out of which advance to the tune of Rs.19,87,400.00 was adjusted during the same financial year leaving a balance of Rs.13,98,600.00 was outstanding at the end of the year 2015-16. The local authority is requested to adjust the advance promptly and compliance reported to audit. Till adjustment Rs. 13,98,600.00 is kept under objection.

ADVANCE PAID DURING 15-16 BUT NOT				
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	ADJUSTED IN 15-16				
1	Dindayal Suna, jamadar	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
2	Deepak Mallik, jamadar	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
3	Madhu Suna Sweeper	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
4	Panka Bag Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
5	Jayshree Suna Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
6	Jayanti Sendria Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
7	Janki Suna Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
8	Bhagbati Bhoi Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
9	Phulkumari Manganani Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
10	Sumidha Ghasi W/O -KUNU Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
11	Lalita Manganani w/o-Laidu Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
12	Pichu Gurla Sweeper	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
13	Kanchan Dai Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
14	Kera Bag Sweepress	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
15	Panchami Pradhan	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
16	Bajaranga Mangan Sweeper	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
17	Rakesh Sendria Sweeper	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
18	Mamata Sunani - Sweeper	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
19	Sushanta Kumar Dash	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
20	PARMESWAR PATRA,SWEEPER	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
21	PRAKASH SINDHIRIA,SWEEPER	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
22	CHAITAN BAG,SWEEPER	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
23	GOMATI SINDHIRIA,SWEEPRESS	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
24	BANTI MANGAN,SWEEPRESS	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
25	BANTI SENDRIA	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
26	DHARAM SUNA(MANGAN)	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
27	ROSHANLAL SENDRIA	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
28	DHIREN MANGAN	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
29	SARJAN SENDRIA	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
30	MENKA BHESERA	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
31	JAGABANDHU MALLIK,DRIVER	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
32	SARJU DUNGURI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO

33	GANGA PR. SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
34	RAJESH BEHERA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
35	BHUMI SUNA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
36	MAMATA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
37	PARA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
38	AHALYA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
39	SANJUKTA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
40	DHARMENDRA KURMI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
41	JIPU SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
42	SUNDAR NAIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
43	BIRU SUNA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
44	DHARAM GHASI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
45	RAM BAG	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
46	TINKU BAG	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
47	RAJU TANDI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
48	BIDESHI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
49	SANTA KURMI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
50	TAPASANI BHOI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
51	MANJU SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
52	JOGITA PRADHAN	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
53	NIRA MANGANANI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
54	JAMUNA BAG	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
55	ANJALI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
56	SUBARNA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
57	MADHURI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
58	MIRA SAHU	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
59	PRAMILA BHOSAGAR	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
60	BANTI KURMI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
61	NABAMI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
62	KHIRA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
63	NETRA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
64	CHAMPA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
65	SUMATI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
66	SASTAMI SENDRIA	488 to	2800	FA on Nuakhai	Dillip Mahanty,EO

		493/11.09.15			
67	KETAKI GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
68	SABITRI GURLA(D)	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
69	KANTI GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
70	SUREKHA DUNGURI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
71	CHAMPA DUNGURI	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
72	MANIYAMA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
73	RUKUNI KATHAR	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
74	SANDHYA DEEP	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
75	SATYABATI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
76	TANU SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
77	SUSHAMA SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
78	SARIKA SUNA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
79	DAYABATI SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
80	GOPAL SENDRIA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
81	BRUNDA GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
82	SANTI GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
83	PUSPA BARIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
84	TANUJA BHOSAGAR	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
85	SABITRI GURLA(M)	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
86	AMAL GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
87	BIKRAM NAG	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
88	LALSINGH GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
89	SANJAY GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
90	BIRENDRA GURLA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
91	SEKH RANJAN (ZAMADAR)	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
92	GUNURU KATHAR	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
93	SARATA MALLIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
94	MANAS MALLIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
95	TIKA MALLIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
96	RAHASA PADHAN	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
97	DAKA MALLIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
98	KRUSHANA CH. SAHU	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
99	KHALIA PADHAN	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO

100	KANAKA MISHRA	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
101	SRINIVASH MALLIK	488 to 493/11.09.15	2800	FA on Nuakhai	Dillip Mahanty,EO
102	JOSHABANTI GURLA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
103	GURUBARI MANGANANI	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
104	CHHAILA GURLA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
105	MUKTA NAG	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
106	PREM BHOSAGAR	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
107	BABULI SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
108	KARAMSINGH GURLA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
109	BHARATI BAG	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
110	ANITA SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
111	GEETA SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
112	HEMCHANDRA MANGAN	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
113	SAHADEV BANCHOR	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
114	BINOD SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
115	BIBHU PATRA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
116	ASHA DIP	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
117	KANTA SUNA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
118	KAMALA SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
119	GOBARDHAN GURLA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
120	GOBINDA SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
121	NITYA BARIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
122	PURNIMA BAG	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
123	INDRAJIT SANDHA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
124	PITAMBARA BEHERA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
125	RAKESH MAHANANDA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
126	GHARJUGI SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
127	SANJUKTA SUNA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
128	SARATHI NAIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
129	SURABHI JENA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
130	UKIA PATRA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
131	TUNU KURMI	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
132	SARDUL SENDRIA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
133	MANOJ DEEP	488 to	3200	FA on Nuakhai	Dillip Mahanty,EO

		493/11.09.15			
134	BELA GURLA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
135	RAJ BAG	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
136	KAILASH NAIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
137	BIDESHI MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
138	NIIRMAL SAHU	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
139	KARTIKA KHATUA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
140	MATIA MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
141	MAKARDWAJA KHATUA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
142	NILA MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
143	NALEI MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
144	SANATAN MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
145	AMBU MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
146	MURALI KHATUA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
147	SURESH MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
148	BIJAYA MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
149	KARAMSINGH MAJHI	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
150	SUNDAR PANDAY	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
151	CHAKRADHAR SAHU	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
152	MAHENDRA SAHU	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
153	PROMOD KHAMARI	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
154	TAPASWANI DEBTA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
155	BANKABIHARI MISHRA	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
156	BIPRA BIBHAR	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
157	PRAMOD MALLIK	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
158	TANKADHAR BHOSAGAR	488 to 493/11.09.15	3200	FA on Nuakhai	Dillip Mahanty,EO
159	CHITTARANJAN MAHAPATRA,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
160	NETRANAND MEHER,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
161	KHITIBHUSAN MEHER,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
162	TANKADHAR SAHU,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
163	MITRABHANU SUNA,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
164	BINOD KALET,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
165	TRILOCHAN PARDIA,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
166	LABA BHATI.OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO

167	PADMALLOCHAN MAHAPATRA,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
168	GANESH SETH,OTC	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
169	AMULYA KUMBHAR,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
170	NARESH KUMAR PANDIT,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
171	PRASANTA PRADHAN,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
172	TRILOCHAN MAHAKUD,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
173	KASTA BEHERA.OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
174	SIDHESWAR MAHANAND,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
175	PRADEEP KU. MALLIK,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
176	BHIBISHAN TANDI,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
177	PREMDEEP CHHATAR,OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
178	CHUDAMANI, DORA	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
179	SRIKANTA PRADHAN, OP	488 to 493/11.09.15	1600	FA on Nuakhai	Dillip Mahanty,EO
180	SABITA PANIGRAHI	488 to 493/11.09.15	4000	FA on Nuakhai	Dillip Mahanty,EO
		Total	537600	FA on Nuakhai	Dillip Mahanty,EO
181	NETRANANDA MEHER	579/18.11.15	2000	youth festival	Subash Ch Sahoo,EO Barpali
182	SUNITA NAYAK S/I SUPPLY	582/20.11.15	26000	ration card	Subash Ch Sahoo,EO Barpali
183	NETRANANDA MEHER	778 A/3.3.16	150000	Purchase of fuel	Sushanta Rout,EO
184	NETRANANDA MEHR	843/23.3.16	25000	Purchase spare&parts	Sushanta Rout,EO
185	JAYASHREE PRADHAN	23/16.2.16	18000	Thematic clean under SBM	Sushanta Rout,EO
186	BRAHMANANDA PANI	43/3.3.16	100000	IEC program under SBM	Sushanta Rout,EO
187	KAMAL TANDI	805/4.3.16	300000	Construction of Kalyan Mandap	Sushanta Rout,EO
188	CHAITANYA BAG	861/30.3.16	40000	6 th pay differential arrear	Sushanta Rout,EO
189	MADHU SUNA	864/31.3.16	25000	7 th pay differential arrear	Sushanta Rout,EO
190	PANKA BAG	864/31.3.16	25000	8 th pay differential arrear	Sushanta Rout,EO
191	JAYASHREE SUNA	864/31.3.16	25000	9 th pay differential arrear	Sushanta Rout,EO
192	JAYANTI SENDRIA	864/31.3.16	25000	10 th pay differential arrear	Sushanta Rout,EO
193	JANKI SUNA	864/31.3.16	25000	11 th pay differential arrear	Sushanta Rout,EO
194	BHAGABATI BHOI	864/31.3.16	25000	12 th pay differential arrear	Sushanta Rout,EO
195	PHUL KUMARI MANGA NAMI	864/31.3.16	25000	13 th pay differential arrear	Sushanta Rout,EO
196	KERA BAG	864/31.3.16	25000	14 th pay differential arrear	Sushanta Rout,EO
	GRAND TOTAL		1398600		

Para 8.a.2. Surchargeable Advance-Advance paid in the year 2014-15,but not adjusted by 31.03.2016 -

It was noticed that a sum of Rs1,43,005.00 was outstanding advance which was paid during the year 2014-15 but not adjusted till 31.03.16. As per GO No. 2221/F Dt. 07.03.2002 advance not adjusted for more than a year without any valid reason is a loss to Govt. Hence the outstanding advance of Rs. 1,43,005.00 is a loss to Govt. and suggested for recovery. The details of surchargeable advance are furnished below. As the sweeper/ sweepress,Contractors and advocate are private bodies ,the entire amount of Rs.143005.00 is surchargeable against Sri Dillip Mahanty,the sanctioning authority-cum-E.O.for the sanction of inadmissible advance and non adjustment there of.The local authority

is suggested to recover the amount of outstanding festival advance from the individual salary/wages of the NMR/DLR staff.

	SURCHARGEABLE ADVANCES				
1	GANGADHAR MALLIK	475/23.08.14	7000	FA on Nuakhai	Dillip Mahanty,EO
2	CHANCHALA GURLA	475/23.08.14	3000	FA on Nuakhai	Dillip Mahanty,EO
3	ANJANA BISOI	475/23.08.14	1000	FA on Nuakhai	Dillip Mahanty,EO
4	DHARAM GHASI	475/23.08.14	500	FA on Nuakhai	Dillip Mahanty,EO
	Total		11500		
1	SARJU DUNGRI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
2	GANGA PR. SINDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
3	RSJESH BEHERA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
4	BHUMI SUNA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
5	MAMATA SINDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
6	SANJUKTA SINDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
7	DHARMENDRA KURMI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
8	JIPU SENDRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
9	SUNDAR NAIK	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
10	BIRU SUNA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
11	DHARAM GHASI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
12	RAM BAG	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
13	TINKU BAG	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
14	RAJU TANDI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
15	BIDESI SINDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
16	TAPASWINI BHOI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
17	MANJU SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
18	JOGITA PADHAN	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
19	NIRA MANGANANI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
20	JAMUNA BAG	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
21	ANJALI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
22	MADHURI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
23	NABAMI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
24	KHIRA SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
25	NETRA SENDIRA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
26	CHAMPA SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
27	SUMATI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
28	SASTAMI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
29	KETAKI GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
30	SABITRI GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
31	KANTI GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
32	SUREKHA DUNGRI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
33	CHAMPA DUNGRI	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO

34	MANIMAYA SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
35	RUKUNI KATHAR	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
36	SANDHYA DIP	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
37	SATYABADI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
38	JANHA SENDIRIA	1043/25.03.15	1500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
39	SARIKA SUNA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
40	DAYABATI SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
41	GOPAL SENDIRIA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
42	BRUNDA GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
43	SHANTI GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
44	PUSPA BARIK	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
45	TANUJA BHOSAGAR	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
46	SABITRI GURLA M	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
47	AMAL GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
48	BIKRAM NAG	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
49	LALSINGH GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
50	SANJAYA GURLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
51	BIRENDRA GIRLA	1043/25.03.15	500.00	FA on Chaitra Purnima	Dillip Mahanty,EO
	Total		26500.00		
1	Bibhu Bhusan Panda,Contractor	899/11.02.15	100000.00	Const of Jay Durga Mandap,Ward No.3	Dillip Mahanty,EO
2	Debananda Rana,Jr Asst	392/05.08.14	5.00	Purchase of axe for sanitation	Dillip Mahanty,EO
3	Ashok Kumar Joshi,Advocate	60/02.05.14	5000.00	for appearing cae at High court	Dillip Mahanty,EO
	GRAND TOTAL		143005.00		

Person responsible -

1.Sri Dillip Mohanty,EO - Rs.143005.00

YEARWISE BREAK UP OF OUTSTANDING ADVANCES AS ON 31.03.2016 -

Sl No	year wise break up	Outstanding as on 01.04.15	adjusted during 15-16	Outstanding as on 31.03.16
1	2012-13	1145.00	1145.00	0.00
2	2013-14	0.00	0.00	0.00
3	2014-15	1011724.00	868719.00	143005.00
4	2015-16	3386000.00	1987400.00	1398600.00
	Grand Total	4398869.00	2857264.00	1541605.00

Responsible Person for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs.)
1	SRI DILIP MOHANTY	EX-EO	NOW EO PARADEEP MUNICIPALITY,DIST-JAG ATSINGPUR.	143005.00

PARA: 9 GRANTS

Bargarh Municipality. Bargarh - 2015-2016

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	01-04-2015	104037782.63	220617748.00	324655530.63	111799107.00	31-03-2016	212856423.63	TOTAL GRANTS
	GRAND TOTAL	104037782.63	220617748.00	324655530.63	111799107.00		212856423.63	

Comments :

Para No.9.1:- Details of Grants received and utilized during the year 2015-16 :-

A detail position of grants received and utilized during the financial year 2015-16 is furnished below.

Sl No.	Name of scheme	Receipt of grants during 2015-16	Expenditure of grants during 2015-16
1	13FC GENERAL PERFORMANCE GRANT	1449000.00	874525.00
2	14FC Basic grant 2nd Installment	21938000	8111497.00
3	OC GRANT	52989000	45853211.00
4	Road Development	4124000	106224.00
5	DEVOLUTION FUND 4SFC	25022000	650538.00
6	MV TAX 4SFC	5392000	0.00
7	MAIN ROAD & BRIDGES (N)	4371000.00	0.00
8	NON RESIDENTIAL BUILDING	700000.00	0.00
9	PERFORMANCE BASED INCENTIVE 3 SFC	2999000.00	1793839.00
10	PUBLIC TOILET	1385100.00	0.00
11	SPECIAL DEVELOPMENT(MLA LAD	3150000.00	0.00
12	HONORORIUM & TADA	76000.00	0.00
13	ARREAR PENSION & BASIC	8262000.00	0.00
14	USER & METERING OF WATER SUPPLY	1000000.00	0.00
15	Non-LFS pensioners	1050000.00	0.00
16	NULM	1649000.00	0.00
17	MBPY	34221600.00	0.00
18	SWACHHA BHARAT MISSION	15387998.00	0.00
19	WODC	800000.00	0.00
20	TA/DA of SUDA	25500.00	0.00
21	MP LAD Grant	1075000.00	1838282.00
22	Special Dev. Programme (MLA LAD)	3150000.00	0.00
23	Boundry wall (Rajmahal) from Collector	200000.00	0.00
24	Proction of Govt. Land	100000.00	0.00
25	GRANT OF ATTABIRA NAC	30101550.00	37387633.00
26	PARK & GREENERY	0.00	357069.00
27	DHANUJATRA BOUNDRY WALL	0.00	158554.00

28	BRGF	0.00	5387507.00
29	TOWN HALL	0.00	1411904.00
30	NRB	0.00	61174.00
31	GENERAL AREA BASIC GRANT 13 FC	0.00	4029971.00
32	ROAD & BRIDGES 13 FC	0.00	2053832.00
33	SPL CC	0.00	680099.00
34	MOTOR VEHICLE	0.00	157381.00
35	SPL PROBLEMS FUND	0.00	885867.00
	GRAND TOTAL	220617748.00	111799107.00

The local authority is suggested to utilize the grants received from different quarters to its full tune for betterment of the general public.

Para No. 9.2.Sub-Low spending of Grants (POM page No.69, dated 03.02.2017):-

As per Rule 171 of the Odisha General Financial Rules (OGFR) (Volume I) and instructions contained in the sanction orders, scheme funds were to be utilized in the year of receipt. Un-utilized fund, if any, may either be refunded to the Government or utilized in subsequent year with prior approval of the Government.

Unless it is otherwise ordered by Government, the grant will be spent upon the object within a reasonable time, if no time-limit has been fixed by the sanctioning authority (Rule 171 (2) of OGFR)

The expression "reasonable time" should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the financial year. Immediately on the expiry of the period of one year from the date of sanction, any unspent balance out of the grant should be dully surrendered to government. (Rule 171 (3) of OGFR).

It would be seen from the above table that the Grants to the tune of 21.29 crores are still pending for utilization by the end of the financial year 2015-16. Timely expenditure of grant is one of the vital factors in achieving better progress in implementation of the schemes. Though the utilization of previous year grant are satisfactory, utilization of grants for the year 2015-16 is discouraging. Further, Interest money of the concerned schemes are part of grant, either it should be returned to the Funding Agency or utilized as Grant as prescribed in the concerned scheme guideline. Interests of Centre sponsored scheme are to be returned to the funding agencies with immediate effects. Due to low spending of grants, the very purpose and objective of the grant so sanctioned is defeated.

The reason for low spending of grants (34.43 %) was asked to the local authority on issue of POM page No. 69, dated 03.02.2017. No reason was attributed by the local authority for low spending of grants. Due to non maintenance of GIA register and work register the unutilized balance fund under different schemes could not be watched properly. Due to lack of internal control on financial management the low spending of grants are witnessed. However, the local authority is suggested to utilize the grants received from different quarters to its full tune for betterment of the general public.

Para No. 9.3.Sub-Diversion of funds-

No diversion of funds are noticed during the FY 2015-16.

Para No. 9.4.Sub-Non-bearing of ULB Contribution @ 1/9th of sanctioned Grant –

An amount of Rs.41,24,000.00 as detailed below was received during the financial year 2015-16 towards grants under Road Development as detailed below. In para- 3 of each G.Os it was provided that "the Urban Local Body concerned should bear 1/9th of the sanctioned amount as ULB contribution out of MLA LAD/MP LAD/Incentive Grant/Own funds/Periphery Development Fund towards its share before execution of the work." But, it was noticed that after receipt of the grant, the ULB contribution amounting to 1/9th of the sanctioned amount was not released and borne by the Municipality before execution of the work. Due to non-adherence to the aforesaid instructions, the scheme guideline was violated by the Municipality. Had the Municipality contributed/borne 1/9th of the sanctioned R.D. grant, there would have an opportunity to execute work to the tune of Rs.4,58,224.00 as ULB contribution, which would have ultimately been utilized for the interest and betterment of the general public.

The reason for non-bearing of ULB contribution may be stated to audit. The Municipal Council as well as the Executive Officer is suggested to contribute 1/9th of the sanctioned Road Development Grant, henceforth.

Year of Grant	GO No./Date	Amount sanctioned and received	Amount of ULB contribution to be borne by the Municipality
2015-16	13335/HUD/09.07.15	1265000.00	140556
2015-16	17338/HUD/09.07.15	341000.00	37889
2015-16	17341/HUD/09.07.15	456000.00	50667
2015-16	2084/HUD/25.01.16	456000.00	50667
2015-16	2087/HUD/25.01.16	341000.00	37889

2015-16	2090/HUD/25.01.16	1265000.00	140556
	GRAND TOTAL	4124000.00	458224

The reason for non-bearing of ULB contribution @ 1/9th of sanctioned RD grant was asked to the local authority on issue of POM page No. 109 dtd.07.03.17. In reply, no reason was attributed by the local authority. The Municipal Council as well as the Executive Officer is suggested to recoup the 1/9th of the sanctioned Road Development Grant amounting Rs.458224.00 to make good the loss under compliance to audit.

PARA: 10 UTILISATION CERTIFICATE

Bargarh Municipality. Bargarh - 2015-2016

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	01-04-2015	117800501.00	111799107.00	229599608.00	51933069.00	31-03-2016	177666539.00	U.C. in respect of ULB contribution amounting to Rs. 458224.00 has been left out since the ULB has not borne the ULB contribution.
	GRAND TOTAL	117800501.00	0.00	229599608.00	51933069.00		177666539.00	

Comments :

Para No.10.1:- Utilization Certificate:-

As per Rule 173 of OGFR, Volume-I, Utilization Certificate (UC) is to be submitted to the proper quarter by 30th June of the succeeding year of expenditure. Further, as per para 5(1) of the O.M. No.21241/F, dt.17.07. 2014 of Finance Department (deemed to be a part of OGFR), submission of U.C. to the sanctioning authority is required in respect of those grant-in-aid or grant sanctioned for specific purpose wherein the sanction order specially stipulates submission of such utilization certificates. Since grants on different developmental schemes are received by the Municipality, the Municipality is required to submit U.C. against these grants received.

It is not out of place to mention here that 1/9th of Matching Contribution to the tune of Rs.458224.00 has not been borne by the ULB. So, the UC position is worked out excluding this in the present audit.

The details of U.C.s submitted along with an interpretation of year wise break up of submitted and pending U.C.s for the year 2015-16 are furnished below.

SI No	NAME OF SCHEME	GONO/DATE	AMOUNT OF UC SENT	YEAR
1	SPECIAL CC	112/DUDA/10.04.15	3028610	2013-14
2	DEVOLUTION KALYAN MANDAP	127/DUDA/10.04.15	1962027	2013-14
3	AUDITORIUM CUM CULTURAL CENTRE (TH)	124/DUDA/10.04.15	1220902	2011-12
4	AUDITORIUM CUM CULTURAL CENTRE (TH)	261/DUDA/22.07.15	909646	2011-12
5	Development of Bus Stand	126/DUDA/10.04.15	1913337	2011-12
6				
7	PARK & GREENERY	131/DUDA/10.04.15	600000	2013-14
8	PARK & GREENERY	131/DUDA/10.04.15	300000	2013-14
9	PARK & GREENERY	131/DUDA/10.04.15	300269	2013-14
10	PARK & GREENERY	160/DUDA/12.05.15	55335	2013-14
11	PARK & GREENERY	327/DUDA/14.09.15	278161	2013-14
12	13FC GENERAL Area Basic grant 1st	113/DUDA/10.04.15	4112968	2014-15
13	13FC GENERAL Area Basic grant 1st	121/DUDA/10.04.15	5134949	2014-15
14	DEVOLUTION FUND	193/DUDA/12.06.15	168623	2014-15
15	OC GRANT	119/DUDA/10.04.15	2366744	2014-15
16	OC GRANT	119/DUDA/10.04.15	8148115	2014-15
17	OC GRANT (Ele dues & swm	163/DUDA/12.05.15	6110808	2014-15
18	ROAD DEV	117/DUDA/10.04.15	569000	2014-15
19	ROAD DEV	117/DUDA/10.04.15	425000	2014-15
20	ROAD DEV	117/DUDA/10.04.15	1578000	2014-15

21	FESTIVAL GRANT	115/DUDA/10.04.15	258275	2014-15
22	MV TAX	129/DUDA/10.04.15	415086	2014-15
23	MV TAX	129/DUDA/10.04.15	1607000	2014-15
24	CAPACITY DEV. PREPARE OF DPR	165/DUDA/12.05.15	329214	2014-15
25	13FC GENERAL PERFORMANCE GRANT	197/DUDA/12.06.15	1449000	2015-16
26	OC GRANT	202/DUDA/1206.15	8692000	2015-16
	GRAND TOTAL		51933069	

Para 10.2.Sub-Non submission of Pending UC -

The position of pending Utilization position of the Municipality is alarming and needs early settlements. U.Cs in respect of major State and Centre sponsored flagship Schemes have not been submitted to the proper quarters. As a result of such lapses, U.Cs to the tune of Rs.17,76,66,539.00 is pending for submission at the end of the year 2015-16, which should be submitted early. Delay in submission of U.C. is the indication of slowdown of progress of Scheme expenditure and is one of the main reasons of reduction of future Grant.However, the local authority is suggested to clear-up the pending position on a task basis.

In response to objection memo, the local authority replied that the pending uc will be submitted to the proper quarter soon. The EO is suggested to pay special attention to submit the pending UC to proper quarter of govt. and compliance be reported.

Para No.10.3:- Year-wise break up of UC submitted:-

The year-wise break-up of utilization certificate submitted during the financial year 2014-15 is furnished below.

YEAR	UC DUE	UC SENT	UC PENDING
2011-12 TO 2013-14	59984468	10568287	49416181
2014-15	57816033	31223782	26592251
2015-16	111799107	10141000	101658107
GRAND TOTAL	229599608	51933069	177666539

PARA: 11 MISAPPROPRIATION & DEFALCATION

11.1 - Misappropriation of cash due to Non-credit of Misc receipts to DCR POM P-32 -

On checking of the collection of Misc receipts to DCR, it was revealed that a sum of Rs.1000.00 was not taken to DCR as detailed below which needs recovery from the persons held responsible under compliance to audit.

Holding Tax	Collection due	Collection shown	Less shown	Person responsible
Book No.40,MR No.11412,DCR p-13	1000/	0	1000/	Hema Chandra Meher,Cashier

In response to objection memo,page no.32,the amount of Rs.1000.00 was recovered from Sri H.C Meher,Cashier vide MR No23109/ dtd. 27.3.17,MR Book No.95.The recovery was duly verified.Hence the para was dropped.

11.2 - Misappropriation of cash due to Less shown of receipts of Holding Tax in DCR through totalling mistake POM P-31 -

On checking of the collection of Holding Tax, it was revealed that a sum of Rs.699.00 was shown in less in DCR through totalling mistake as detailed below which needs recovery from the persons held responsible under compliance to audit.

Holding Tax	Collection due	Collection shown	Less shown	Person responsible
Book No.35,MR No.17854 to 17868,DCR p-17,Ward-7	4372/	3872/	500/	Jayamini Surujal(OP)
Book No.18,MR No.17854 to 17868,DCR p-17, Ward-7	5218/	5019/	199/	Jayamini Surujal(OP)
	Total		699/	

In response to objection memo page no.31,the amount of Rs.699.00 was recovered from Sri Jayamini Surujal(OP) vide MR Book No.10/MR No.24329/dated 20.04.17.The recovery was duly verified and para was dropped.

PARA: 12 LOSS OF STOCK & STORE

12.1 -

No loss of stock and store was noticed by the present audit during the year 2015-16.

PARA: 13 AUDIT OF RECEIPTS

13.1 - Assessment of Holding Tax-

Holding Tax is a major source of revenue for Urban Local Bodies which is utilized to provide basis civic amenities to the residents in municipal areas. The 74th amendment of the Constitution and the recommendation of the Thirteenth Finance Commission strengthened the status of Urban Local Bodies as institution of self-Government, who are empowered to levy and collect Holding Tax under Odisha Municipal (OM) Act, 1950 and Odisha Municipal (OM) Rules, 1953 from the owners/tenants of the holdings within these municipal jurisdictions. The occupiers of holdings within municipal areas are required to pay holding tax on the basis of Annual Rental Value of the property which is to be assessed by the Valuation Organization, a wing of Housing and Urban Development Department of the Government of Odisha. There is a Council for each Urban Local Body, who in its meeting expressly called for the purpose, has to determine the percentage of Annual Rental Value at which the holding tax was to be realized. Under the provisions (section 143-A) of OM Act, 1950 the Executive Officer of the ULB may perform the duties of Valuation Officer.

As per section 131(1) of OM Act, 1950 the municipalities/NACs are empowered to impose(a) holding tax (b) Latrine Tax (c) Water Tax (d) Lighting Tax (e) Drainage Tax within the municipality areas. Under the provisions, this municipality has assessed/levied holding tax from the owners/tenants of the holding. On the basis of assessment holding tax is being collected by the municipality as follows:-

Holding Tax @ 6% of annual rental value

Lighting Tax @ 4% of annual rental value

Water Tax @ 4% of annual rental value

Latrine Tax @ 1% of annual rental value

13.2 - Demand, Collection and Balance of Holding Tax-

Demand, collection and balance of holding tax for the financial year 2015-16 are furnished below. It would be seen from the following table that collection of holding tax against the total demand is 31.31 per cent, which is very poor. No reason was attributed by the local authority for poor collection of holding tax. However, the local authority is suggested to take special care/special drive for best collection of holding tax. The DCB of fees and fines u/s 290, slum quarter, Mobile shop, Lease amount, Ground rent, Bus stand, Building plan, Trade License etc. could not be produced to audit for which it was furnished in the audit report.

SI No	Name of taxes	DEMAND			COLLECTION			BALANCE			% OF COLLECTION
		Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total	
1	HOLDING	2805822.75	1256121.00	4061943.75	504563.00	771301.90	1275864.90	2301259.75	484819.10	2786078.85	31.41%
2	LATRINE	419951.30	209337.00	629288.30	78935.80	128376.30	207312.10	341015.50	80960.70	421976.20	32.94%
3	LIGHT	2026967.40	837148.00	2864115.40	332194.60	510649.40	842844.00	1694772.80	326498.60	2021271.40	29.43%
4	WATER	1605351.40	837148.00	2442499.40	294055.60	509831.40	803887.00	1311295.80	327316.60	1638612.40	32.91%
	TOTAL	6858092.85	3139754.00	9997846.85	1209749.00	1920159.00	3129908.00	5648343.85	1219595.00	6867938.85	31.31%

The local authority is suggested to maintain the DCB register of all taxes, fees and fines u/s 290, slum quarter, Mobile shop, Lease amount, Ground rent, Bus stand, Building plan, Trade License etc. in future and watch the DCB periodically. Special measures should be taken to enhance the collection of taxes in the subsequent years.

13.3 - Assessment of new holding POM page No. 09, dated 16.12.2015

New assessment in respect of the completed building under the Municipal area is to be done by the Municipality. On issue of POM page No. 09, dated 16.12.2015 the local authority was asked to furnish the numbers of holdings that have newly come under the ambit of holding tax during the financial year 2015-16. The local authority furnished no reply. POM page No. 09, dated 16.12.2015 was also issued to the Sub-Divisional Electricity Officer, Bargarh Electricity Sub-Division with a request to furnish information as to how many holdings were connected with new electricity connection during the financial year 2015-16. No reply was received by the SDO, Electrical. So, the present audit could not ascertain the details of new holding.

13.4 - Non-revision of holding tax POM page No. 9 dtd. 16.12.16 -

Holding Tax is a major source of revenue for Urban Local Bodies which is utilized to provide basic civic amenities to the residents in municipal areas. The 74th amendment of the Constitution and the recommendation of the Thirteenth Finance Commission strengthened the status of Urban Local Bodies as institution of self-Government, who are empowered to levy and collect Holding Tax under Odisha Municipal (OM) Act, 1950 and Odisha Municipal (OM) Rules, 1953 from the owners/tenants of the holdings within these municipal jurisdictions. The occupiers of holdings within municipal areas are required to pay holding tax on the basis of Annual Rental Value of the property which is to be assessed by the Valuation Organization, a wing of Housing and Urban Development Department of the Government of Odisha. There is a Council for each Urban Local Body, who in its meeting expressly called for the purpose, has to determine the percentage of Annual Rental Value at which the holding tax was to be realized. Under the provisions (section 143-A) of OM Act, 1950 the Executive Officer of the ULB may perform the duties of Valuation Officer.

As per section 131(1) of OM Act, 1950 the municipalities/NACs are empowered to impose (a) holding tax (b) Latrine Tax (c) Water Tax (d) Lighting Tax (e) Drainage Tax within the municipality areas.

Under the provisions, this municipality has assessed/levied holding tax from the owners/tenants of the holding. On the basis of assessment holding tax is being collected by the municipality as follows:-

Holding Tax @ 6% of annual rental value

Lighting Tax @ 4% of annual rental value

Water Tax @ 4% of annual rental value

Latrine Tax @ 1% of annual rental value

As per section 146 of OM Act, 1950 the general revision of valuation and assessment list shall be prepared in every five years.

The last assessment of holding tax was finally published by the H & U.D. Department in their letter No.937, dated 22.03.1999 which was effected from 01.01.2001. In the meantime 15 years has already been elapsed, but the revision of holding tax has not been conducted by the valuation department, a wing of H & U.D. Department. Whether the Executive Officer or the Council has requested the valuation organization to revise the holding tax may be reported to audit. At the time of Exit Conference, the local authority replied that the Valuation Organization will be requested to revise the holding tax.

As per section 143-A of OM Act, 1950 the Executive Officer of the municipality shall, until the appointment of valuation organization thereof, exercise the power and perform the duties of valuation organization in respect of the municipality. Whether the Executive Officers during their incumbency from 2006 to till date have exercised the power conferred under the aforesaid rules may be reported to audit.

Due to non-revision of holding tax in every five year since 2006(i.e. 5 years after 2001), the municipality has been deprived of a bulk amount of holding tax, which could have strengthened the financial position of the municipality.

POM page No. 09 to 10, dated 16.12.16 was issued on this score. No reply was furnished by the local authority. However, in view of the foregoing discussions, the following remedial measures are suggested to the Executive Officer as well as to the present Council:-

(a) May request in writing to the valuation organization to conduct survey on the holdings and revise the holding tax

(b) Until the valuation organization revise the holding tax, the Executive Officer may exercise power conferred under section 143-A of OM Act, 1950 to revise the holding tax.

13.5 - Collection of Holding Tax -

It would be seen from the following table that collection of holding tax against the total demand is 31.31 per cent, which is very poor. No reason was attributed by the local authority for poor collection of holding tax. However, the local authority is suggested to take special care/special drive for best collection of holding tax.

TAXES	DEMAND	COLLECTION	% OF COLLECTION
HOLDING	4061943.75	1275864.90	31.41%
LATRINE	629288.30	207312.10	32.94%
LIGHT	2864115.40	842844.00	29.43%
WATER	2442499.40	803887.00	32.91%
TOTAL	9997846.85	3129908.00	31.31%

The collection of holding tax in comparison to the demand of holding tax due for collection in respect of both arrear demand and current demand is very poor. The Executive Officer as well as the Council is impressed to ensure cent per cent collection of arrear and current holding tax. As per section 201 of OM Act, 1950 the Municipality may establish a system of punishment and reward to tax collectors to ensure best results in collection of tax.

However, the Executive Officer as well as the Council is impressed to ensure cent per cent collection of arrear and current holding tax and establish a system of punish and reward for best collection of holding tax.

13.6 - Time Barred Dues-

Due to improper maintenance of Demand Collection and Balance Register of Holding Tax, the year-wise break-up of outstanding dues and time barred dues could not be worked out. Year-wise break-up of outstanding dues was also not available from the previous year audit report. In response to objection memo p-10/16.12.16, no reply was furnished by the local authority. However, the local authority is suggested to work out the year-wise break-up of outstanding taxes and produced to next audit for verification.

13.7 - Service of demand notice against non-payment of holding tax POM page No.11 dated 16.12.2016-

As per section 161 of OM Act, 1950 the Executive Officer or any other officer authorized in that behalf may serve demand notice in form No. O dully signed by him against the tax not paid within sixty-one days of its due date.

POM page No. 11 dated 16.12.2016 was issued to the local authority to intimate whether the Executive Officer or any other officer authorized in that behalf have served demand notice in form No. O dully signed by him against the tax not paid within sixty-one days of its due date during the financial year 2015-16.

In response to objection memo p-11 /16.12.16, no reply was furnished by the local authority. However, the local authority is impressed upon to issue more and more demand notices for best collection of holding tax.

13.8 - Issue of Distress Warrant POM page No. 11, dated 16.12.2016 -

As per section 162 of OM Act, 1950 the Executive Officer may issue distress warrant in form No. P dully signed by him against the defaulter of tax after 15 days of issue of the demand notice.

POM page No. 11 was issued to the local authority to intimate whether the Executive Officer has issued distress warrant in form No. P dully signed by him against the defaulter of tax after 15 days of issue of the demand notice during the year 2015-16 as per the above provision of Act.

As per section 162 of OM Act, 1950 the distress warrant issued under section 161 of the OM Act, 1950 shall be recorded in a register in form No. R having initial by the EO and in case such distress warrants are not issued, the Executive Officer shall pass orders explaining facts in the register the special reasons for which the distress warrant could not be issued.

POM page No. 11 was issued to the local authority to intimate whether the issue of distress warrant has been recorded in a register in form No. R and the EO has put his initial in the register during the year 2015-16. The register was also demanded by audit for necessary verification, if maintained. But no reply was furnished by the local authority in this regard.

However, the Executive Officer is suggested to issue distress warrant as per the aforesaid provision and maintain a register of Distress Warrant.

13.9 - Seizure of immovable property of the defaulter -

As per section 163 of OM Act, 1950 the movable property belonging to the defaulter shall be seized by the office in charge of execution of a warrant. POM page No. 11 dated 16.12.16 was issued to the local authority to intimate whether any immovable property belonging to the defaulter has been seized by the office in charge of execution of a warrant during the year 2015-16 under the above provision. But no reply was furnished by the local authority in this regard. However, the Executive Officer is suggested to follow the provision cited supra for best collection of holding tax.

13.10 - Initiation of suit against the defaulter of tax -

As per section 163 of OM Act, 1950 the municipality shall file suit in any court of competent jurisdiction against the defaulter of tax instead of proceeding by distress warrant and sale or in case of failure to realize the tax.

POM page No. 11 dated 16.12.16 was issued to the local authority to intimate whether the municipality has filed suit in any court of competent jurisdiction against the defaulter of tax instead of proceeding by distress warrant and sale or in case of failure to realize the tax during the year 2015-16 under the above provision. But no reply was furnished by the local authority in this regard. However, the Executive Officer is suggested to initiate more numbers of suits against the defaulting tax payer under the above provision.

13.11 - Write off of holding tax -

As per section 171 of OM Act, 1950 the municipality may write off any holding tax due from the defaulter which is recoverable. If so it should not exceed five hundred rupees with prior sanction of the Government. The reduction, remission of tax under section 150 and cases of write off under section 171 of the OM Act, 1950 shall be recorded in a register in Form No.7. The Executive Officer is suggested to take such initiative accordingly.

13.12 - Position of Lease-

The register of lease was not produced before audit. So, the demand, collection and balance position of lease could not be ascertained by audit. The Executive Officer is suggested to maintain a lease register and try to increase the collection of lease amount in respect of tank and cattle market etc. in order to increase the assets of the Municipality.

13.13 - Production of information on collection of taxes on railway land –POM P-88 /7.3.17.

The total railway land in the ULB, whether tax is being levied on the said railway land. Whether the lands have been reassessed of annual tax at prescribed intervals (5 years-section 146 of OM Act, 1950). Whether any committee for determination of the annual value of the railway land was formed? Post formation of the committee and pending valuation by the said committee if any. Whether the Executive Officer has taken steps for assessment of the annual value and collection of tax on the basis of such assessment may be furnished (Rule 518(10) of the OM Rules, 1953).

In response to objection memo p-88/07.03.17, no reply was furnished by the local authority. However, the local authority is suggested to take initiatives in this regard.

PARA: 14 AUDIT OF EXPENDITURE

14.1 - Excess payment on purchase of split AC and stabilizer-

Sl No	Vr No/Date	Amount	Particulars
1	372,373,374,375/dtd.18.08.15	53600.00	paid to Patra Needs Bargarh towards purchase of 8 nos. of v-guard stabilizers.
2	206/02.07.15	398880.00	paid to Patra Needs Bargarh towards purchase of 8 nos. of split ACs

On verification of the above paid vouchers with reference to the Accountant cash book, it was revealed that a sum of Rs.53, 600.00 was paid to Patra Needs Bargarh towards purchase of 8 nos. of v-guard stabilizers. On further verification, it was noticed that quotation call was invited from intending suppliers on 02.07.15 for supply of 8 nos of split AC and stabilizers. As revealed from the quotations received from Chandan Brothers towards supply of v-guard stabilizers, the rate quoted by Chandan Brothers, Bargarh was Rs.3900/. But no purchase was made from Chandan Brothers. At that time, Patra Needs Bargarh quoted rate for supply of AC only and no rate was quoted for supply of stabilizers. So how the purchase was made from Patra Needs Bargarh at a higher rate could not be understood. Ignoring the lowest rate quoted by Chandan Brothers, Bargarh @3900/pc and violating the tender process, supply order was given to Patra Needs Bargarh @ 6700/pc resulting excess payment of Rs.2800/pc .Thus, 2800/ x 8 Nos. =22400.00 was paid in excess which cannot be admitted by audit and needs recovery.

Further, as revealed from the quotations invited for purchase of split ACs, it was noticed that Climax Cuttack quoted the rate of 2 ton split AC @ 46000/. But it was not accepted mentioning the reason that the brand name is not mentioned against the item. The reason for rejection of quotation was not convincing. The Municipality has sold the prescribed form of quotation@1000/, wherein the deion of brand name is mentioned itself against which the firm, Climax Cuttack quoted the rate of 46000/. So it is to mention worthy that there is no necessity of mentioning the brand name

once again in the prescribed form and quoted the rate against each item .It should have been understood that the rate quoted by Climax Cuttack was meant to the brand name mentioned by the office and quotation should be accepted. But it was not done and supply order was given to Patra Needs Bargarh at a higher rate of Rs.49860/ thereby excess payment of Rs.49860-46000 = 3860.00 per pc. For 8 nos. of split ACs, excess payment was made to a tune of 3860.00 x 8 =30880.00 which cannot be admitted by audit and needs recovery.

In both cases, violation of quotation call was observed thereby Municipality sustained a loss of Rs. 22400.00 + 30880.00 =53280.00 which needs recovery from the persons held responsible under compliance to audit.

In response to objection memo page no.28 to 30, the local authority replied that the audit objection is being examined and step will be taken accordingly. The reply of the local authority was not found satisfactory. Hence the para stands on its own merit and Rs.53280.00 was suggested for recovery from the person held responsible as follows.

- 1.Sri Dilip Mohanty,E.O.-Rs8880.00.
- 2.Sri Ajaya Saha,ME - Rs8880.00.
- 3.Smt. Pragyan Paramita Panigrahi,JE-Rs8880.00.
- 4.Sri Rama Chandra Sahu,Accountant-Rs8880.00.
- 5.Sri Chaitan Sahu,Head Clerk -Rs.8880.00
- 6.Sri Prasanta Behera,Chairman -Rs8880.00.

Responsible Person for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs:)
1	SRI PRASANTA BEHERA	CHAIRMAN	AT-BARGARH MUNICIPALITY, DIST-BARGARH	8880.00
2	SMT PRAGYAN PARAMITA PANIGRAHI	JE	AT-BARGARH MUNICIPALITY, DIST-BARGARH	8880.00
3	SRI RAMA CHANDRA SAHU	ACCOUNTANT	AT-BARGARH MUNICIPALTY, DIST-BARGARH	8880.00
4	SRI AJAYA SAHA	ME	AT-BARGARH MUNICIPALITY, DIST-BARGARH	8880.00
5	SRI DILIP MOHANTY	EX-EO	NOW EO PARADEEP MUNICIPALITY,DIST-JAG ATSINGPUR.	8880.00
6	SRI CHAITAN SAHU	HC	AT-BARGARH MUNICIPALITY, DIST-BARGARH	8880.00

14.2 - Non deduction of service tax at source vide POM page-81-

Vr No.133/ 28.05.15	Rs.300000.00	Paid to M/S 3D vision for proposed Market Complex at Pvt Bus Stand towards architectural fees
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On checking of the above paid vouchers w.r.t Accountant Cash Book it was revealed that a sum of Rs. 300000.00 was paid M/S 3D vision for proposed Market Complex at Pvt Bus Stand, Bargarh towards architectural fees, but the service tax @12.36% was not deducted at source from the payment made to him and paid to the central exchequer as per Service Tax Act (item no-16).So why the amount of Rs.37080.00(i.e.12.36% of 300000.00) will not be considered as excess payment and suggested for recovery may be clarified to audit.

In response to objection memo page no.81, the local authority replied that the payment of service tax certificate will be obtained and shown to audit.The reply of the local authority was not found satisfactory. Hence the para stands on its own merit and Rs.37080.00 was suggested for recovery from the person held responsible as follows.

1.Sri Dilip Mohanty,E.O.- Rs18540.00.

2.Sri Rama Chandra Sahu,Accountant-Rs18540.00.

14.3 - In-admissible payment of T.I. temporary increase to the Family Pensioner employed under rehabilitation assistance scheme vide POM Page-82-83- -

It would be seen that Rs.76221.00 was paid towards T.I. to the family pensioners employed under Rehabilitation Assistance scheme. Payment of T.I. to the family pensioners employed under Rehabilitation Assistance scheme has been prohibited by the finance department. So, Rs.76221.00 needs recovery from the employees in the following manner. The details are furnished below.

Sl No	Name of employees	mar	april	may	jun	july	aug	sept	oct	Total
1	Banti Sindhria, W/o. Late Sarju Sindhria	1052	1052	1052	1052	1052	3955	3955	3955	16073
2	Banti Mangan W/o. Late Prem Mangan	855	855	855	855	855	3955	3955	3955	15285
3	Gomati Sindhria, W/o. Late Mangal Sindhria	390	390	390	390	390	3955	3955	3955	13425
4	Mamata Sunani, W/o. Late Bhabani Shankar Sunani	1072	1072	1072	1072	1072	3955	3955	3955	16153
5	Rama Pradhan, W/o. Late Basanta Pradhan	855	855	855	855	855	3955	3955	3955	15285
6	Grand Total	4224	4224	4224	4224	4224	19775	19775	19775	76221

As such Rs.76221.00 need be recovered from the person concerned under compliance to audit.

In response to objection memo page no.82-83, the local authority replied that the amount will be realized from the person concerned. . Hence the para stands on its own merit and Rs.76221.00 was suggested for recovery from the person concerned to the amount as stated above.

Responsible Person for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs:)
1	BANTI SINDHRIA	SWEEPRESS	AT-BARGARH MUNICIPALITY	16073.00
2	BANTI MANGAN	SWEEPRESS	AT-BARGARH MUNICIPALITY	15285.00
3	GOMATI SINDHRIA	SWEEPRESS	AT-BARGARH MUNICIPALITY	13425.00
4	MAMATA SUNANI	SWEEPRESS	AT-BARGARH MUNICIPALITY	16153.00
5	RAMA PRADHAN	PEON	AT-BARGARH MUNICIPALITY	15285.00

14.4 - Irregular payment of conveyance allowance to staff vide POM page-80-81 -

On verification of pay acquaintance roll of staff ,it was revealed that conveyance allowance @500/ has been given to Sri Ranjan Mallick, Light man for the year 2015-16 without obtaining proper sanction of Govt. in this regard which cannot be admitted by audit and needs recovery.

As such Rs.500/ x 12 = 6000.00 need be recovered from the person concerned under compliance to audit.

In response to objection memo page no.80-81, the local authority replied that the amount will be realized from the person concerned. . Hence the para stands on its own merit and Rs.6000.00 was suggested for recovery from Sri Ranjan Mallick,Light man.

Responsible Person for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs:)
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1	RANJAN MALLICK	LIGHT MAN	AT-BARGARH MUNICIPALITY	6000.00

14.5 - Engagement of CLRs/DLRs/NMRs appointed after dt.19.05.1997 without Government approval vide POM page-79-80 -

As per provision contained in Section-73(1) of the Odisha Municipal Act, 1950, every municipality, with the previous sanction of the State Government may engage CLR/DLR/ NMR. Further, as per provisions of Section 73 (2) of the Act, the Municipality may, in the case of emergency, make provisions for temporary employment of employees for a period not exceeding 44 days.

Section 73-A (2) stipulates that the pay and allowances paid to the person whose appointment is in contravention of the provisions of this Act shall be deemed to be an illegal payment and a loss to the Municipality and the same shall be recoverable by surcharging it under the Odisha Local Fund Audit Act, 1948, against such holder of elective office, officer or authority who makes such appointment. Circular No.-MIS-129/2000/360511H&UD, dtd.15.12.2000:- D.L.R./N.M.R.s engaged after 19.5.97 may be disengaged forthwith.

On verification, it was revealed that 69 numbers of DLR/NMR were engaged prior to 19.05.1997. Only three numbers of DLR/NMR were engaged after 19.05.1997. The details of such payment are furnished below.

Sl No	Name of the employee	Designation	Date of appointment	Monthly remuneration	Total remuneration paid during 2014-15
1	Khali Padhan	Road Coolie	01.04.99	4650	55800
2	Manas Mallik	Road Coolie	02.02.98	4650	55800
3	Daka Mallik	Road Coolie	01.12.99	4650	55800
	Grand Total				167400

As such why the payment of Rs.1, 67,400.00 towards the engagement of CLRs/DLRs/NMRs will not be treated as irregular expenditure, may be clarified to audit

In response to objection memo page no.79-80, the local authority replied that step has been taken to regularize the matter at govt. level. However, no further appointment has been made thereafter. Till regularization, Rs.167400.00 is kept under objection.

14.6 - Excess payment in OAP/ODP POM Page-75-77 -

On verification of OAP/ODP Acquaintance Roll w.r.t. cash book. It was revealed that a sum of Rs. 1200.00 was shown as excess/ double payment in the cash book as compared to the actual payment made by different staffs, resulting excess payment of cash which needs recovery. The details are furnished below.

Sl No.	Name of employees & designation	Name of GP	Period	Payment shown	Payment due	Amount excess paid	Particulars
1	Sri Ghanashyam Bhoi, OTC	Ward No.2	Jun-15	69000	68400	600	NOAP current due 228 Nos., shown 230 nos., @ 300/, A/R P-131
2	Sri Ghanashyam Bhoi	Ward No.2	April-15	70500	70200	300	NOAP current due 234 Nos., shown 235 nos., @ 300/, A/R P-131

3	Sri Ghanashyam Bhoi	Ward No.2	Sept-15	7200	6900	300	NOAP arrear due 23 Nos.,shown 24 nos,@ 300/,A/R P-132
		TOTAL				1200	

As such a sum of Rs. 1200.00 was shown as excess payment by different employees as stated above which needs recovery.

In response to objection memo page no.79-80,the amount of Rs.1200.00 was recovered from Sri Ghanashyam Bhoi,OTC vide MR Book No.10 MR No.24319/ dtd.17.04.2017.The recovery was duly verified .Hence para was dropped.

14.7 - Excess payment of telephone bill due to non payment of bill in due date vide POM Page-89

On checking of the vouchers of subsidiary cash book, it was revealed that excess payment of telephone bill was done due to non payment of bill in due date. As such Rs.357.00 was paid as late fine which cannot be admitted by audit and needs recovery. Had it been paid within the scheduled date, the late fine could have been avoided. The details of such payment are described below.

Vr No/Date	Amt paid	Amt due	Amt of late fine
2/4.4.15	167	157	10
3/4.4.15	1256	1237	19
4/4.4.15	167	157	10
114/21.5.15	1146	1124.01	21.99
144/1.6.15	730	720	10
145/1.6.15	763	753	10
146/1.6.15	1144	1124.01	19.99
147/2.6.15	167.31	157.31	10
264/16.7.15	1160	1140.02	19.98
265/16.7.15	170	160	10
266/16.7.15	614	604	10
267/16.7.15	172	159.2	12.8
390/24.8.15	1730	1710.03	19.97
539/17.10.15	542	532	10
540/17.10.15	379	369	10
541/17.10.15	2414	2394	20
542/17.10.15	562	552	10
546/17.10.15	2320	2300.29	19.71
675/1.1.16	1748	1698	50
728/16.2.16	461	451	10
722/16.2.16	482	472	10
723/16.2.16	2563	2539.02	23.98
724/16.2.16	468	458	10
Total	21325.31	20967.89	357.42
		Or say	357.00

In response to objection memo page no.89, the local authority replied that the amount will be recovered and shown to audit.Hence the para stands on its own merit and Rs.357.00 was suggested for recovery from the person responsible as stated below.

1.Sri Dilip Mohanty,E.O.- Rs.179.00.

2.Sri Rama Chandra Sahu,Accountant-Rs.178.00.00.

Responsible Person for this paragraph

Slno	Name	Designation	Adress	Amount(In Rs:)
1	SRI DILIP MOHANTY	EX-EO	NOW EO PARADEEP MUNICIPALITY,DIST-JAG ATSINGPUR.	179.00
2	SRI RAMA CHANDRA SAHU	ACCOUNTANT	AT-BARGARH MUNICIPALTY, DIST-BARGARH	178.00

14.8 - Non deduction of service tax at source vide POM page-49 -

Sl No	Vr No/Date	Amount paid	Particulars
1	122/22.5.15	51880.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 4/15
2	162/8.6.15	54090.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 5/15
3	234/10.7.15	54850.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 6/15
4	357/14.8.15	56575.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 7/15
5	464/9.9.15	57365.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 8/15
6	548/18.10.15	53710.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 9/15
7	575/17.11.15	56985.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 10/15
8	639/15.12.15	53710.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 11/15
9	728/18.2.16	56735.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 12/15
10	729/18.2.16	54850.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 1/16
11	823/22.3.16	53900.00	Paid to Adarsh Sishu Mandir towards service charge 11 Nos. for 2/16
	Total	604650.00	

Director of Service Tax, Mumbai in his letter no. DOF No.V/DGSR/21(9) B and F services 2/2004 dt. 06.12. 2005 has prescribed 82 no of items which come under the provision of levy of Service Tax for providing different services. The service provider is requested to be registered before providing the required service and is entitled to pay Service Tax @ of 12.36%.

In Accountant Cash Book a sum of Rs.604650.00was paid to Adarsh Sishu Mandir towards service charge from which no service Tax was realized and paid to the central exchequer.

Therefore service tax @ 12.36% of Rs.604650.00=74735.00 need be collected from the service provider and credited as revenue to the Asst. Commissioner of central Excise, custom & Service Tax Sambalpur & Compliance be reported to audit.

So why the amount of Rs.74735.00 will not be suggested for recovery may be clarified to audit.

In response to objection memo page no.49, the local authority replied that proper procedure has been maintained regarding payment. As the service provider has not received the service tax from the office, the deduction of service tax is not justified. The compliance was verified. No service tax was received by the service provider and proper tender procedure has been adopted. However, Service tax should be realized from the service provider as TDS which was not done and Govt instruction was violated.Hence the amount of Rs.74735.00 is kept under objection.The local authority is suggested to realize service tax from the service provider henceforth.

14.9 - Non deduction of service tax at source vide POM page-51 -

SI No	Vr No/Date	Amount paid	Particulars
	1154/4.6.15	12000.00	Paid to Ashok Ku Joshi, Advocate towards legal expenses for attending municipal case 4/13 to 5/14
	2361/14.8.15	14000.00	Paid to Mccoy Accounting & service ltd for legal fees from 6/14 to 7/15
	Total	26000.00	

Director of Service Tax, Mumbai in his letter no. DOF No.V/DGSR/21(9) B and F services 2/2004 dt. 06.12. 2005 has prescribed 82 no of items which come under the provision of levy of Service Tax for providing different services. The item No.115 relates to Legal Consultancy Services and is entitled to pay Service Tax @ of 10.30%.

In Accountant Cash Book a sum of Rs.26000.00 was paid to different legal practitioner towards Legal Consultancy service charge from which no service Tax was realized and paid to the central exchequer.

Therefore service tax @10.30% of Rs.26000.00=2678.00 need be collected from the service provider and credited as revenue to the Asst. Commissioner of central Excise, custom & Service Tax Sambalpur & Compliance be reported to audit.

So why the amount of Rs.2678.00 will not be suggested for recovery may be clarified to audit.

In response to objection memo page no.51, the local authority replied that the payment of service tax certificate will be obtained and shown to audit. The service tax paid by the advocate could not be verified as it was not produced to audit till the end of audit. Till production of the same, Rs.2678.00 is kept under objection.

14.10 - Less collection of licence fees fee for granting permission, renewal of permission and penalty in respect of telephone towers within municipal area vide POM P-91-103-

As per Lr. No.-28334/H&UD, dt.31.12.2014, license fee for installation, renewal fees and penalty for delay in renewal in respect of mobile towers have been enhanced. On checking of the licence fees collected from the mobile towers during the period under audit, it was disclosed that a sum of Rs.69,60,000.00 as calculated below (in accordance with the DLFA guidelines vide letter no.4225/dated 16.05.2015) has not been collected from the mobile towers causing a heavy loss of revenues of the Municipality. The persons who are responsible for the above loss and the reason of non collection may be stated to audit for verification. The details are furnished below.

License fee of Mobile Tower of Bargarh Municipality.

SI No	Name of defaulting service provider/Company	Location	Plot No.	Year	Non collection of installation fees @75000/	Renwal fees @7500/per anum	late fine @10000/month x 12 months	Total
1	Hutch Vodafone Essar Spacefel Ltd	(I) Tarani sethi S/o Satrugan seth at V.S.S Nagar W.N.9 Bgh	2414/5142	2007	0	7500	120000	127500
2	Hutch Vodafone Essar Spacefel Ltd	Nihar Ranjan Mohanty S/o Natbar Mohanty W.N.13 Bgh	2542/1167	2007	0	7500	120000	131000
3	Hutch Vodafone Essar Spacefel Ltd	Smt Padmini Dash W/O Laxmi Narayana Dash Khajurtikira Near	2414/1996	2007	0	7500	120000	131000

		Georgh high school W.N.8 Bgh							
4	Hutch Vodafone Essar Spacefel Ltd	Mr/Mrs. Nagarjun Shastri S/o Purna chandra sastri College road W.N.3	8003	2007	0	7500	120000	131000	
5	Hutch Vodafone Essar Spacefel Ltd	Mr Rajkumar Pradhan S/o Jagannath pradhan at-Ambapali W.N.17	238	2007	0	7500	120000	131000	
6	B.T.S. Tower	Anil Agrawal Ramesh Agrawal Gaurav Agrawal S/o Kailash Agrawal Govind pali	1976/6/18127	2008	0	7500	120000	131000	
	Bharti Infratel Ltd	In presence of witness	Khata No.2542/2064						
		1) Anil kumar Jain							
		C/O Late Dillip Chand Jain college road							
		2) Ramesh agrawal							
		C/O Rajendra Agrawal Malpada W.N.1							
7	Tata Tleservices Ltd	Sri Nathuram Lath	7159/13760	March	0	7500	120000	131000	
		S/o Late Narsingha Lath	Khata No.2414/9025	2009					
		Hospital road Near Andhra Bank							
8	Tata Tleservices Ltd	Sri Rameswar subudhi	7720/11609	September	0	7500	120000	131000	
		S/o Sri chandramani subudhi	Khata No.2542/1368	2008					
		W.N.3							
9	Vodafone Essar Ltd	Tusar ranjan Mohanty	3409/13541	December	0	7500	120000	131000	
		S/o Natbar Mohanty	Khata No.2414/3833	2008					
		college road W.N.13							
10	Vodafone Essar Ltd	Ms/Mrs. Kamala Souria	4867	June	0	7500	120000	131000	
		W/o Late Nabaranglal souria	Khata No.2414/6695	2007					

		Nadipada W.N.1						
11	M/S Dishnet. Wireless Ltd	Haribandhu panigrahi	1772/9592	December	0	7500	120000	131000
		S/o Achutananda panigrahi	Khata No.2414/326	2008				
12	Essar Telecom.	Gajananda Sahu	2052/8715	2008	0	7500	120000	131000
	Infrastructure Pvt. Ltd	S/o Late Lakhanlal sahu	Khata No.2414/5873					
13	Tata Teleservices GBT.	Kamala dash	1433/16123	2007	0	7500	120000	131000
		W/o Tulsi dash, Shakti nagar	Khata No.2542/759					
		D.O Bangla W.N.11						
14	Reliance Telecom	Bijaya kumar panigrahi	3228/894105	2007	0	7500	120000	131000
	Infrastructure Ltd	S/o Suresh kumar panigrahi	Khata No.2414/941					
		college road Bgh W.N.13						
15	Idea cellular infrasturecture service Ltd.	Bhubaneswar pradhan, Mahuri pradhan	1850/13389	2008	0	7500	120000	131000
		S/o Basant pradhan, Chittaranjan pradhan	Khata No.2414/3687					
		S/o Souri pradhan, at Govind pali, W.N.15						
16	VIOM Networks Ltd BBSR	Saroj kumar pradhan	1864	September	0	7500	120000	131000
		S/o Hariram pradhan	Khata No.1084	2009				
		Master tikra, W.N.14						
17	Tower vision India Pvt. Ltd Saheed nagar BBSR	Mrs. Kamalalini Mahapatra	761/11343/	October	0	7500	120000	131000
		W/o Sarat ku. Mahapatra	762/11344	2011				
		khajurtikira W.N.7	Khata No.2414/1891					
18	Bharati Infratel Ltd. BBSR	Netrananda Rath	1373/16038	March	0	7500	120000	131000
		S/o Dolamani, Khajurtikira	khata No.2414/6368	2009				

19	Quippo Telecom infrastructure Ltd. BBSR, Khurda	Hemanta kumari pradhan	3345/1540	November	0	7500	120000	131000
		W/o Jadumani pradhan W.N.13	Khata No.2414/297	2008				
20	Bharati Infratel Ltd.	Suresh kumar agrawal	1312,1313/2318 and 1309/2232	February	0	7500	120000	131000
		S/o Satyanarayana, Qutab ambience, New Delhi circle office at Kharvel Nagar BBSR-751001. Dist.Khurda, Brahmachari, W.N.16, Bgh	khata No.386/449 & 386/363	2009				
21	Vodafone Essar Spacetel Ltd. Chandra sekharapur BBSR 751023	Mr/Mrs. Nagarjun shastri S/O Purnachandra kalawatia, College road W.N.13	8003	August 2007.	0	7500	120000	131000
22	Vodafone Essar Spacetel Ltd. Chandra sekharapur BBSR 751024	Mrs. Padmini Dash,	7082/11457	July 2007.	0	7500	120000	131000
		W/o Laxminarayana dash	Khata No.2414/1996					
		khajurtikira near Georgh high school						
23	Vodafone Essar Spacetel Ltd. Chandra sekharapur BBSR 751025	Rajkumar pradhan	238	June	0	7500	120000	131000
		S/o Jaganath pradhan	Khata No.177	2007				
		Ambapali W.N.17						
24	Vodafone Essar Spacetel Ltd. Chandra sekharapur BBSR 751026	Nihar Ranjan Mohanty	3226/13544	July 2007.	0	7500	120000	131000
		S/o Natbar Mohanty W.N.13 Bgh	khata No.2542/1167					
25	Vodafone Essar Spacetel Ltd. Chandra sekharapur BBSR 751027	Mr/Mrs. Tarani seth	1395/14894	July 2007.	0	7500	120000	131000
		S/o Satrughana seth	Khata No.2414/5142					
		VSS Nagar W.N.9						
26	G.T.L. Infrastructure	Kirti kumar patel	190/13773	February	0	7500	120000	131000

		S/o Kantibai patel W.N.1	Khata No.2414/4038`	2009				
27	T.T. Info services Ltd	Saroj kumar pradhan	1864	2009	0	7500	120000	131000
		S/o Hariram pradhan	Khata No.1084					
		Master tikra, W.N.14						
28	G.T.L. Infrastructure	Taranisen seth	1395/14884	2010	0	7500	120000	131000
		S/o Satrugana seth W.N.5, near Saharapada						
29	Bharti infratel Ltd.	Kailash chandra agrawal W.N.1 W/O Sumitra devi	7162	2009	0	7500	120000	131000
			khata No.1668					
30	Reliance J 10 Info comm Ltd.	Rajkumar pradhan	7	2012	0	7500	120000	131000
		S/o Jaganath pradhan	khata No.177					
		Ambapali W.N.17						
31	Reliance J 10 Info comm Ltd.	Kamalini mahapatra	761/11343	2013	0	7500	120000	131000
		W/o Sarat ku. Mahapatra	khata No.2414/1891					
		at.Khajurtikira Nuapada W.N.7						
32	Bharati Infratel Ltd.	Sunil kumar panda	756/13305	2012	0	7500	120000	131000
		S/o Late Nityananda panda	Khata No.2414/3615					
		at Khajurtikira W.N.8						
33	Bharati Infratel Ltd.	Ramesh agrawal,Gourab agrawal,kailash agrawal,Anil jain, Roof top level	1976/18127	2011	0	7500	120000	131000
			khata No.2542/2014					
34	M/S DEA Cellular infrastacture service Ltd.	Bhubaneswar pradhan, Mahuri	1850/13389	2012	0	7500	120000	131000

		pradhan						
		S/o Basant pradhan, Chittaranjan pradhan	Khata No.2414/3687					
		S/o Souri pradhan, at Govind pali, W.N.15						
35	Reliance J 10	Bikram aditya Mishra	177/11910 & 175/10818	2012	0	7500	120000	131000
		S/o Gopal mishra	Khata No.2414/2385					
		at. Supriya marg Bhatli road W.N.1						
36	Bharati Infratel Ltd. Of Tower	Narasingh Dash W.N.4	Khata No.130	2014	0	7500	120000	131000
37	Bharati Infratel Ltd. Of Tower	Nihar Mohanty	Khata No.2542/1166	2014	0		120000	131000
38	Bharati Infratel Ltd. Of Tower	Purna Ch. Kalwatia	khata No.805, Bgh	2014	0	7500	120000	131000
39	Bharati Infratel Ltd. Of Tower	Umesh Seth	khata No.2542/501	2014	0		120000	131000
40	Bharati Infratel Ltd. Of Tower	Pradeep Ku. Dash & others Ambapali W.N.17	khata No.190	2014	0	7500	120000	131000
41	Bharati Infratel Ltd. Of Tower	Gourav Agrawal	khata No.2542/2064	2014	0		120000	131000
42	Bharati Infratel Ltd. Of Tower	Kailash Agrawal Bargarh	khata No.1668	2014	0	7500	120000	131000
43	Bharati Infratel Ltd. Of Tower	Suresh Agrawal, Brahamachari w.n.16	khata No.386/449	2014	0		120000	131000
44	Bharati Infratel Ltd. Of Tower	Netrananda Rath w.n.9, Bgh	khata No.2414/6368	2014	0	7500	120000	131000
45	Bharati Infratel Ltd. Of Tower	Sunil ku Panda	khata No.2416/13615	2014	0		120000	131000
46	Vodafone	Kamala Souria, Nadipada w.n.1		15-16,17-18	0	7500	120000	131000
47	Vodafone	Nihar Ranjan Mohanty		Renewed	0		120000	131000
48	Vodafone	Hotel Oriental		Renewed	0	7500	120000	131000
49	A.T.C Indra Tower	Brahamachari w.n.16, Bgh	386/409	2012	0		120000	131000
50	A.T.C Indra Tower	Subash Nagar	1695/10023	2001	0	7500	120000	131000

		w.n.14						
51	Asceht Telecom Infrastructure Pvt Ltd.	Tusar ranjan Mohanty mohanty pada W.N.13	3409/13541		0	7500	120000	131000
52	A.T.C. Telecom Tower corporation pvt. Ltd. A.T.C	Rly station w.n.19	2052/8713		0	7500	120000	131000
53	M/S Idea cellular Infrastructure service Pvt. Ltd.	Bhubaneswar pradhan S/o Souri charan pradhan, W.N.15	khata No.2414 Plot No.1850/13389	2012	0	7500	120000	131000
54	M/S Idea cellular Infrastructure service Pvt. Ltd.	Bhubaneswar pradhan S/o Souri charan pradhan, W.N.15	khata No.2414 Plot No.1850/13389	2012	0	7500	120000	131000
55	VIOM Networks	Tulasi chandra Dash Shakti Nagar W.N.11 Behind S.D.O Bangla Bgh		2011	0	7500	120000	131000
		GRAND TOTAL			0	360000	6600000	6960000

In response to objection memo issued vide POM page 91-103, the local authority replied that the collection from mobile towers will be reviewed. The local authority could not show the collection of license fees during the year 2015-16. The exact date of installation of mobile towers could not be ascertained from the file. No such prescribed register has been maintained by the Municipality. The local authority is advised to take special drive for collection of the license fee/renewal fee and imposition of penalty. A separate register should be maintained regarding DCB of the license fees of mobile tower and it should be periodically watched Till collection of the same, Rs.6960000.00 is kept under objection.

14.11 - Non deposit of EPF/CPF-

From the last audit report, it was noticed that Rs.21,40,350.00 has been remained un deposited towards EPF/CPF as on 31.03.2015. The reason of non deposit may be stated. Further, the local authority is suggested to deposit the EPF/CPF timely, unless the loss of interest suffered by employee will be charged against the person responsible for the above lapses.

14.12 - Position of EPF/CPF deposit –

As per Rule 442 of O.M. Rules, 1953 a provident fund ledger in Form No. P.F. 5 is to be kept in the Municipal Office. The Provident Fund Ledger, Abstract register, CPF Cash Book and the following information may be furnished to audit .

- Whether all the CPF contributions deducted from the employees are being deposited in the proper account regularly or not deposited and retained in the municipal account;
- Whether the deposited amount is routed through Government treasury or not;
- Whether the contribution amount of the employees are deposited in the Postal Savings account, or any amount invested in any of the schemes noted in Rule 446 for getting higher interest etc.

But no reply was given on the score. However, on checking it was noticed that EPF contributions are not being deposited regularly which may be ensured hence forth.

14.13 - Payment of advt. charges -

Sl No	Vr No/Date	Amount	Particulars of payment
1	65/5.5.15	13689	Payable to Dharitri daily,BBSR for publication of quotation call notice
2	135/30.5.15	11365	Payable to Samaj for publication of quotation call notice
3	302/1.8.15	34064	Payable to Dharitri daily,BBSR for publication of quotation call notice
4	348/11.8.15	16848	Payable to Tilakraj Publication for advertisement of electrical materials
5	859/26.3.16	29892	Paid to Editor of Prameya Summereal media for advert of quotation call notice
6	865/31.3.16	43203	Paid to Eastern media Ltd towards advertisement charges
	Total	149061	

On checking of the above paid vouchers w.r.t. Accountant Cash Book, it was revealed that a sum of Rs. 149061.00 was paid to different agencies towards publication of advt. cost. As per Govt instruction, all advertisement should be processed through the Dist. Information and Public Relation Officer and payment to be made as per the recommendation of DIPRO observing the advertisement rate of Govt. of Odisha. The corresponding file showing the allocation of funds and recommendation of DIPRO regarding the payment may be shown to audit for verification.

In response to objection memo,the local authority replied that the procedure will be maintained hence forth.As the Govt. instruction was violated and till it is being regularised by DIPRO regarding the genuineness of rate paid,the amount of Rs.149061.00 is kept under objection.

14.14 - Non-renewal of vehicle insurance may lead to penalty -

It was revealed from records that the following vehicles belong to the property of the municipality. The insurance of these vehicles have not been renewed timely as detailed below. Due to non-renewal of vehicle insurance timely, penalty may be imposed on late renewal of insurance of the vehicle. Further, if insurance is not paid and if the vehicle meets any accident, the municipality may loose compensation due to accident. So, it is suggested to renew the insurance of the vehicle at the earliest and compliance reported to audit.

Sl No	Regd. No. of the vehicle	Type of vehicle	Date of purchase	Date of registration	Date of last insurance payment	Insurance valid up to
1	OR-17-F-2292	Minidor Pick Up			20.07.12	19.07.2013
2	OR-0001	Bulldozer			21.06.2013	20.06.2014
3	OR-17-C-8130 (Tractor)	Tractor & Trailer			18.12.2012	17.12.2013
	& OR-17-C-8131 (Trailer)	Tractor & Trailer			18.12.2012	17.12.2013
4	OR-17-C-8132 (Tractor)	Tractor & Trailer			18.12.2012	17.12.2013
	& OR-17-C-8133 (Trailer)	Tractor & Trailer			18.12.2012	17.12.2013
5	OD 17C 0306	Tata Ace HT	28.03.2014	25.04.2014	28.03.2014	27.03.2015
6	OD 17C 0307	Tata Ace HT	28.03.2014	25.04.2014	28.03.2014	27.03.2015
7	OD 17C 0308	Tata Ace HT	28.03.2014	25.04.2014	28.03.2014	27.03.2015
8	OD 17C 0309	Tata Ace HT	28.03.2014	25.04.2014	28.03.2014	27.03.2015
9	OD 17C 0310	Tata Ace HT	28.03.2014	25.04.2014	28.03.2014	27.03.2015
10	OD 17C 0311	Tata Ace HT	28.03.2014	25.04.2014	28.03.2014	27.03.2015

In response to objection memo page no.108 dated 7.3.17,the local authority assured to take needful action in this matter.However, the local authority is suggested to to take needful action and produce before next audit for verification.

14.15 - Non-bearing of ULB Contribution 1/9th of sanctioned Grant –

An amount of Rs.41,24,000.00 as detailed below was received during the financial year 2015-16 towards grants under Road Development as detailed below. In para- 3 of each G.Os it was provided that "the Urban Local Body concerned should bear 1/9th of the sanctioned amount as ULB contribution out of MLA LAD/MP LAD/Incentive Grant/Own funds/Periphery Development Fund towards its share before execution of the work." But, it was noticed that after receipt of the grant, the ULB contribution amounting to 1/9th of the sanctioned amount was not released and borne by the Municipality before execution of the work. Due to non-adherence to the aforesaid instructions, the scheme guideline was violated by the Municipality. Had the Municipality contributed/borne 1/9th of the sanctioned R.D. grant, there would have an opportunity to execute work to the tune of Rs.4,58,224.00 as ULB contribution, which would have ultimately been utilized for the interest and betterment of the general public.

The reason for non-bearing of ULB contribution may be stated to audit. The Municipal Council as well as the Executive Officer is suggested to contribute 1/9th of the sanctioned Road Development Grant, henceforth.

Year of Grant	GO No./Date	Amount sanctioned and received	Amount of ULB contribution to be borne by the Municipality
2015-16	13335/HUD/09.07.15	1265000.00	140556
2015-16	17338/HUD/09.07.15	341000.00	37889
2015-16	17341/HUD/09.07.15	456000.00	50667
2015-16	2084/HUD/25.01.16	456000.00	50667
2015-16	2087/HUD/25.01.16	341000.00	37889
2015-16	2090/HUD/25.01.16	1265000.00	140556
	GRAND TOTAL	4124000.00	458224

In response to objection memo page no.108 dated 7.3.17, the local authority noted the audit suggestion for future guidance. Till the regularisation Rs.458224.00 is kept under objection.

14.16 - Purchase file/Quotation wanting-

Sl No	Vr No/Date	Amount	Particulars of payment
1	296/31.7.15	14686	Paid to Modern Dealer towards supply of electrical materials
2	297/31.7.15	8955	Paid to Modern Dealer towards supply of electrical materials
3	447/8.9.15	192625	Paid to Modern Dealer towards supply of electrical materials
4	448/8.9.15	29412	Paid to Modern Dealer towards supply of electrical materials
5	449/8.9.15	10962	Paid to Modern Dealer towards supply of electrical materials
6	450/8.9.15	70313	Paid to Modern Dealer towards supply of electrical materials
7	537/15.10.15	148798	Paid to Modern Dealer towards supply of electrical materials
8	538/15.10.15	122747	Paid to Modern Dealer towards supply of electrical materials
9	640/15.12.15	12780	Paid to Modern Dealer towards supply of electrical materials
10	641/15.12.15	159279	Paid to Modern Dealer towards supply of electrical materials
11	860/29.3.16	476228	Paid to Modern Dealer towards supply of electrical materials
		1246785	

On checking of the above paid vouchers w.r.t. Accountant Cash Books, it was revealed that a sum of Rs. 12,46,785.00 was paid to Modern Dealer towards supply of electrical materials. The purchase file showing the quotations/ tender invited if any may be produced to audit for verification.

In response to objection memo p-114/07.03.17, the local authority replied that the same will be produced later on. Till production of the same, Rs.1246785.00 is kept under objection.

14.17 - Huge arrear of energy charges leading to increase in liability of the municipality -

On verification of file "the payment of energy charges to WESCO" the following facts were noticed.

(1) The outstanding energy charges of the municipality in respect of street light as on 31.03.2016 was found to be Rs.8,80,06,621.00. Every time, the energy bill has been paid on average basis. The meter status in the body of the electricity bill is shown as code "S", which means "meter stopped". So, it is well understood that the energy charges of the municipality in respect of street light was not charged on actual consumption basis rather it was charged on average basis. So, there is every possibility of excess energy charges due. Nowhere in the file it was found that the Executive Officer has made correspondence with the Electrical authority to change the meter and charge energy charges on actual consumption basis.

(2) By the end of March, 2016, the arrear energy charges due for payment was Rs.88006621.00 which consists of arrear electricity charges Rs.32333649.14, electricity duty Rs.1263002.05, surcharge Rs.53692129.20 and DP surcharge Rs.405991.79.

Due to non-payment of arrear electricity dues, arrear electricity duty, surcharge on arrear electricity charges and D.P. surcharge are rising rapidly and as such the liability of the municipality is increasing day by day. No significant steps have been taken by the Executive Officer or the council to reduce the arrear electricity dues. The higher authorities of WESCO are not also requested to exempt the municipality from arrear electricity duty, surcharge on arrear electricity charges and D.P. surcharge. Had the municipality paid the electricity dues in due time, it would not have bothered for payment of the arrear energy charges.

(3) The Deputy Secretary to Government in H & U. D. Department, Government of Odisha in their file No.13621500012014, **letter No.11279, dt.29.05.14** addressed to all Executive Officers of Municipalities/ NACs have requested to submit a proposal to the department for energy audit to enhance the energy efficiency by consuming less energy with council resolution. The cost of energy audit was to be borne by the Energy department and implementation of energy efficiency shall be started with 50% grant from energy department. But, no proposal was sent by the municipality to the H U U.D. department. So, it appears that neither the Executive Officer nor the council is interested to have an audit on energy efficiency. Since the arrear electricity charges of the municipality are raising rapidly, the present audit suggests conducting a special audit on energy efficiency as well as on the huge outstanding of arrear electricity charges.

(4) No budget provision was made in the budget for the year 2015-16 to pay the arrear electricity dues.

(5) Lighting Tax is one of the components of Holding Tax. It is 4 per cent of the annual rental value. The lighting tax is collected from the households towards use of Public Street light. The last revision of holding tax was made in the year 2001. Holding Tax should be revised in each ten year. More than 15 years has been elapsed since the last revision of holding tax, but the holding tax has not been revised. Had the holding tax been revised timely, the municipality could have earned some money towards lighting fees, which could have been paid to the WESCO.

This could have resulted in decreasing of arrear energy charges and the current energy charges which may be focused in future. Any constructive measure taken by the authority in this regard may be shown to audit for verification.

In response to objection memo p-112-114/07.03.17, the local authority replied that the audit suggestion will be noted for future guidance. Hence the local authority is once again suggested to take initiative in this regard.

14.18 - Irregular appointment of retired servants-

As per Rule 408(2) of the Odisha Municipal Rules, 1953, no retired employee either from Government service or from any other service shall be appointed either on whole time basis or on part time basis under a Council or Committee of a Municipality without the prior permission of Government. If such appointment has been done may be communicated to audit.

But no reply was furnished by the local authority in this regard. However, the Executive Officer is suggested to be vigilant against this irregularity.

14.19 - Sanction of deputation of Government Servants to other Governments and on Foreign Service -

As per letter No.-C.S.II-8/2011-12593/F, dt.28.03.2011, extension of deputation beyond ten years shall not be allowed in any case and where the foreign body request to avail of the services of the concerned deputation beyond ten years, Government may agree to spare his services on his permanent absorption in the foreign body obtaining consent of the Government Servant concerned for such permanent absorption. Where

the Government Servant is not willing to be permanently absorbed, he shall be reverted back to his service under Government on expiry of the term of his deputation. Whether there are any such cases where any employee is continuing in the municipality on deputation for more than ten years on foreign service without being absorbed permanently in the ULB cadre or reverted back to his/her original cadre, may be communicated to audit.

But no reply was furnished by the local authority in this regard. Hence, the present audit could not ascertain any thing in this regard.

PARA: 15 AUDIT ON WORKS

15.1 - DETAILS OF CASE RECORDS VERIFIED BY CURRENT AUDIT -

Particulars	No of works case records	Amount involved
Total works case records due for verification	160	37788258
works case records verified by audit	160	37788258
Balance work case records not verified by audit	0	0

15.2 - Excess payment on work bill due to arithmetical error in MB –

Bill- 1/R, Vr. No.73/15.12.15,

Name of the Work- Construction of drain from railway fatak to Jayasingh Godown at W.No.19,

Estimated Cost.- Rs.995000/,Agreement value-995000.00, Scheme-SWM,

Name of the Contractor-Sri Tapan Surujal,

JE-Smt. Pragya Paramita Panigrahi, ME-Sri Ajay Saha,

Name of the EO – Sri Dillip Mahanty,

MB No.05/15, p- 44 to 52

On checking of the above case record w.r.to M.B. and other relevant records, it was found that a sum of Rs.18273.00 as detailed below was paid excess to the executant than the amount actually due for payment due to calculation error in measurement book in respect of item No.1 of the work i.e.earth work excavation in hard soil with initial lead and lift etc. complete vide MB No.05/15 page-45.So why the excess amount paid will not be suggested for recovery may be stated to audit.

Quantity of work actually executed (as per measurement) earth work excavation in hard soil with initial lead and lift etc. completed vide MB No.05/15 page-45	
earth work excavation in hard soil with initial lead and lift etc. completed	
Drain 1x 224 x 1.1 x 0.10	24.64cum
Quantity of work actually allowed and paid	271.04 cum
Quantity excess allowed and paid	246.40 cum
Rate per unit	74.16

Amount excess allowed and paid	18273.00
In response to objection memo page no.62-63, the amount of Rs.18273.00 was recovered vide MR No.14684/25.3.17,MR Book-10 .The recovery was verified duly and para was dropped.	
15.3 - Excess payment in works -	
<p>Bill- 1/R, Vr. No.556/04.11.15,</p> <p>Name of the Work- Improvement of Town Hall front side of Bargarh Municipality</p> <p>Estimated Cost.- Rs.7,89,000/, Scheme-Own fund</p> <p>Name of the Contractor-Sri Kamal Tandi,</p> <p>JE-Smt. Pragya Paramita Panigrahi,ME-Sri Ajay Saha,</p> <p>Name of the EO – Sri Sushanta Rout,</p> <p>MB No.15 /13, p- 64 to 67,</p> <p>On checking of the above case record w.r.to M.B. and other relevant records, it was found that the tender of the above project was accepted on 18.07.2015 to complete within 1 month i.e on 18.08.2015.But it was not completed in the scheduled time and actually completed on 4.11.15.The 1st running bill of Rs. 324907/ was paid on 18.08.15 which was executed within the scheduled time ,but the remaining amount of work for Rs.342551.00 was done after the scheduled time .The provision for penalty for delayed completion of work was not made in the agreement of contract. So the liquidated damage was calculated as per the govt. provision @1.5% per month of the unfinished amount of `work (to be calculated per day of delay).</p> <p>As such,1.5 % of unfinished amount of Rs.342551.00 =5138.00 per month should be charged against the contractor as per OPWD Code 2-3-1 and the instruction stipulated in Letter No.4225 dtd.16.5.15 of DLFA,Odisha, BBSR. As the project was completed after 2 months and 16 days as it was mentioned in the agreement, the penalty for delay in completion is 13016.00 towards liquidated damage.So why the amount of Rs.13016.00 will not be suggested for recovery may be stated to audit.</p> <p>In response to objection memo page no.118-119, the amount of Rs.13016.00 was recovered vide MR No.14684/25.3.17,MR Book-10 .The recovery was verified duly and para was dropped.</p>	
15.4 - Excess payment in works -	
<p>Bill- 1/R, Vr. No.497/11.08.15,C/R No.14/57</p> <p>Name of the Work- Renovation of cc road from Chanchala Mishra to Nandini Panda house W.N. 5.</p> <p>Estimated Cost.- Rs.3,52,000/,Scheme-RD</p> <p>Name of the Contractor-Sri Hrushikesh Meher,</p> <p>JE-Pragya Paramita Panigrahi,ME-Sri Ajay Saha,</p> <p>Name of the EO – Sri Sushanta Rout,</p> <p>MB No.11/13, p- 156 to 163,</p>	

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Hrushikesh Meher, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor in the following item of work as compared to the amount provided in the agreement to a tune of Rs.2903.00 as calculated below.

Item	Qty as per agreement	Qty executed	Qty excess done	rate	Excess Amount
Sand filling	28.95	30.54	1.59	210.29	334.36
Rigid smooth cantering and shuttering	46.75	76.84	30.09	85.37	2568.78
					2903.14
			or say		2903.00

As such, excess payment has been made to a tune of Rs.2903.00 which needs recovery.

In response to objection memo page no.18-19, the amount of Rs.2903.00 was recovered vide MR No. 14685/25.3.17,MR Book-10.The recovery was verified duly and para was dropped

15.5 - Excess payment in works -

Bill- 2/R, Vr. No.4/10.04.15,1/R,Vr No.89/04.03.15,

Name of the Work- Construction of cc drain from Keshab Dash house to Chanchala Mishra house, Ward No.18,

Estimated Cost.- Rs.7,34,000/,Agreement value-7,19,315/,Scheme-BRGF

Name of the Contractor-Sri Gokul Debta,

JE-Aruna Manjari Singh,AE-Sri Rama Chandra Nayak,

Name of the EO – Sri Dillip Mahanty,

MB No.2/14, p- 136 to 148,2/14,P- 125 to 135

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Gokul Debta, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor to a tune of Rs.6488.00 as detailed below.

Excess payment has been made through addition of labour cess in the work bill to a tune of Rs.5988.00. In tender work no govt. revenue should be added in the work bill and all govt. revenue as fixed from time to time should be realized from the bill of the Contractor. As such, excess payment has been made to a tune of Rs.5988.00 which needs recovery.

1/R Bill, Labour cess added in the work bill-2618.00,

2/R Bill, Labour cess added in the work bill-3370.00,

Total Rs.5988.00

Further,the cost of transparency board amounting Rs.500.00 has been provided in the 1/R bill and paid to the contractor without being provided in the agreement which is considered as excess payment and cannot be admitted by audit .

As such,a sum of Rs. 5988.00 + 500.00 =6488.00 has been paid in excess which needs recovery.

In response to objection memo page no.58-59, the amount of Rs.6488.00 was recovered vide MR No. 14683/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.6 - Excess payment in works -

Bill- 1/R, Vr. No.73/15.12.15,

Name of the Work- Construction of cc drain from Jayaguru Mandir to Bheden canal at W.No.19,

Estimated Cost.- Rs.995000/,Agreement value-995000.00, Scheme-SWM,

Name of the Contractor-Sri Tapan Surujal,

JE-Smt. Pragya Paramita Panigrahi,ME-Sri Ajay Saha,

Name of the EO – Sri Dillip Mahanty,

MB No.04/14, p- 128 to 130

On checking of the above case record w.r.to M.B. and other relevant records, it was found that a sum of Rs.18273.00 as detailed below was paid excess to the executant than the amount actually due for payment due to calculation error in measurement book in respect of item No.1 of the work i.e.earth work excavation in hard soil with initial lead and lift etc. complete vide MB No.04/14 page-128.So why the excess amount paid will not be suggested for recovery may be stated to audit.

Quantity of work actually executed (as per measurement) earth work excavation in hard soil with initial lead and lift etc. completed vide MB No.04/14 page-128	
earth work excavation in hard soil with initial lead and lift etc. completed	
Drain 1x 224 x 1.1 x 0.10	24.64cum
Quantity of work actually allowed and paid	271.04 cum
Quantity excess allowed and paid	246.40 cum
Rate per unit	74.16
Amount excess allowed and paid	18273.00

In response to objection memo page no.120-121, the amount of Rs.18273.00 was recovered vide MR No. 14684/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.7 - Excess payment in works -

Bill- 1/R, Vr. No.23/10.07.15,C/R No.04/06,

Name of the Work- Construction of cc drain from Durga Mandir to Santosh Subudhi House, Ward No.3

Estimated Cost.- Rs.9,54,000/,Agreement value-9,53,957/,Scheme-BRGF

Name of the Contractor-Sri Antaryami Parida,

JE-Aruna Manjari Singh(1/R), AE-Sri Rama Chandra Nayak,

Name of the EO – Sri Dillip Mahanty,

MB No.6/14, p- 112 to 119,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Antaryami Parida, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor to a

tune of Rs.5635.00 as detailed below.

Excess payment has been made through addition of labour cess in the work bill to a tune of Rs.5135.00. In tender work no govt. revenue should be added in the work bill and all govt. revenue as fixed from time to time should be realized from the bill of the Contractor. As such, excess payment has been made to a tune of Rs.5135.00 which needs recovery.

Further, the cost of transparency board amounting Rs.500.00 has been provided in the 1/R bill and paid to the contractor without being provided in the agreement which is considered as excess payment and cannot be admitted by audit .

As such,a sum of Rs. 5135.00 + 500.00 =5635.00 has been paid in excess which needs recovery.

In response to objection memo page no.55-57, the amount of Rs.5635.00 was recovered vide MR No. 14683/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.8 - Excess payment in works -

Bill- 1/R, Vr. No.381/02.08.14,2/R Bill,Vr No.22/21.05.15,

C/R No.48/57

Name of the Work-CC road in front of Surendra Sahu house and in front of Antaryami Sahu house at Bandutikra W. No.18

Estimated Cost.- Rs.2,57,000/,Agreement value-2,48,703/ Scheme-13th FC

Name of the Contractor- Sri Hrushikesh Meher,

JE-Pragya Paramita Panigrahi, ME-Sri Ajay Saha,

Name of the EO – Sri Sushanta Rout,

MB No.18/13, p- 149 to 154,MB No.3/14,p-80-85,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Hrushikesh Meher, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor in the following item of work as compared to the amount provided in the agreement to a tune of Rs.1865.00 as calculated below.

Item	Qty as per agreement	Qty executed	Qty excess done	rate	Excess Amount
Earth work in hard soil	9.27	18.85	9.58	72.23	691.96
Sand filling	22.64	28.41	5.77	203.33	1173.21
				or say	1865.00

As such, excess payment has been made to a tune of Rs.1865.00 which needs recovery.

In response to objection memo page no.24-25, the amount of Rs.1865.00 was recovered vide MR No. 14685/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.9 - Excess payment in works -

Bill- 1/R, Vr. No.10/02.05.15,

Name of the Work- CC road from Odyssey motors to Zeera rivers W.No.1,

Estimated Cost.- Rs.807700/,Agreement value-800000 .00, Scheme-MPLAD,

Name of the Contractor-Sri Himanshu Dash,

JE-Smt. Pragya Paramita Panigrahi,ME-Sri Ajay Saha,

Name of the EO – Sri Dillip Mahanty,

MB No.5/15, p- 29 to 33,C/R No.67/15-16

On checking of the above case record w.r.to M.B. and other relevant records, it was found that the tender of the above project was accepted on 06.09.15 to complete within 1 month i.e on 06.10.15. But it was not completed in the scheduled time and actually completed on 14.1.16. The 1st running bill of Rs. 704462/ was paid on 17.10.15 which was executed within the scheduled time ,but the remaining amount of work for Rs.95538.00 was done after the scheduled time .The provision for penalty for delayed completion of work was not made in the agreement of contract. So the liquidated damage was calculated as per the govt. [provision @1.5%](#) per month of the unfinished amount of `work (to be calculated per day of delay).

As such,1.5 % of unfinished amount of Rs.95538.00 =1433.00 per month should be charged against the contractor as per OPWD Code 2-3-1 and the instruction stipulated in Letter No.4225 dtd.16.5.15 of DLFA,Odisha, BBSR. As the project was completed after 3 months and 8 days as it was mentioned in the agreement, the penalty for delay in completion is 4681.00 towards liquidated damage. So why the amount of Rs.4681.00 will not be suggested for recovery may be stated to audit.

In response to objection memo page no.126-127, the amount of Rs.4681.00 was recovered vide MR No. 14684/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.10 - Excess payment in works -

Bill- 2/R, Vr. No.13/28.05.15, Bill- 1/R, Vr.No.72/02.01.15,

Name of the Work- Construction of cc road from Shiva mandir to Dash pada ,W.No.3,

Estimated Cost.- Rs.3,50,000/,Agreement value- Rs.2,99,670/,Scheme-BRGF

Name of the Contractor-Sri Antaryami Parida,

JE-Aruna Manjari Singh(1/R), AE-Sri Rama Chandra Nayak,

Name of the EO – Sri Dillip Mahanty,

MB No.6/14, p- 84 to 92,6/14 p-39-46,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Antaryami Parida, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor to a tune of Rs.3332.00 as detailed below.

Excess payment has been made through addition of labour cess in the work bill to a tune of Rs.2832.00. In tender work no govt. revenue should be added in the work bill and all govt. revenue as fixed from time to time should be realized from the bill of the Contractor. As such, excess payment has been made to a tune of Rs.2832.00 which needs recovery.

1/R Bill, Labour cess added in the work bill-1786.00,

2/R Bill, Labour cess added in the work bill-1046.00,

Total Rs.2832.00

Further, the cost of transparency board amounting Rs.500.00 has been provided in the 1/R bill and paid to the contractor without being provided in the agreement which is considered as excess payment and cannot be admitted by audit.

As such, a sum of Rs. 2832.00 + 500.00 =3332.00 has been paid in excess which needs recovery.

In response to objection memo page no.63-65, the amount of Rs.3332.00 was recovered vide MR No. 14683/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.11 - Excess payment in works -

Bill- 1/R, Vr. No.10/02.05.15,

Name of the Work- Renovation of cc road from Ramesh Bag house to railway station road at W.No.11,

Estimated Cost.- Rs.298000/,Agreement value-661182.00, Scheme-TFC,

Name of the Contractor-Sri Prem Kumar Rath,

JE-Smt. Pragya Paramita Panigrahi,ME-Sri Ajay Saha,

Name of the EO – Sri Dillip Mahanty,

MB No.14 /12, p- 170 to 174

On checking of the above case record w.r.to M.B. and other relevant records, it was found that a sum of Rs.5143.00 as detailed below was paid excess to the executant than the amount actually due for payment due to calculation error in measurement book in respect of item No.1 of the work i.e.CC(1:2:4) using 12 mm size hgcb chips vide MB No.14/12 page-171.So why the excess amount paid will not be suggested for recovery may be stated to audit.

Quantity of work actually executed (as per measurement) CC(1:2:4) using 12 mm size hgcb chips vide MB No.14/12 page-171	
CC(1:2:4) using 12 mm size hgcb chips	
Road surface 1x21x4.4x0.10	9.24 cum
Quantity of work actually allowed and paid	10.29 cum
Quantity excess allowed and paid	1.05 cum
Rate per unit	4898.10
Amount excess allowed and paid	5143.00

In response to objection memo page no.124-125, the amount of Rs.5143.00 was recovered vide MR No. 14684/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.12 - Excess payment in works -

Bill- 1/R, Vr. No.15/25.06.15,C/R No.05/06,

Name of the Work- Construction of cc road from RD road(Khajur talien mandir) to Pradeep House near Boiler firm,

Estimated Cost.- Rs.3,00,000/,Agreement value- Rs.2,99,670/,Scheme-BRGF

Name of the Contractor-Sri Gokul Debta,

JE-Aruna Manjari Singh(1/R), AE-Sri Rama Chandra Nayak,

Name of the EO – Sri Dillip Mahanty,

MB No.6/14, p- 93 to 100,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Gokul Debta, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor to a tune of Rs.3379.00 as detailed below.

Excess payment has been made through addition of labour cess in the work bill to a tune of Rs.2879.00. In tender work no govt. revenue should be added in the work bill and all govt. revenue as fixed from time to time should be realized from the bill of the Contractor. As such, excess payment has been made to a tune of Rs.2879.00 which needs recovery.

Further, the cost of transparency board amounting Rs.500.00 has been provided in the 1/R bill and paid to the contractor without being provided in the agreement which is considered as excess payment and cannot be admitted by audit.

As such, a sum of Rs. 2879.00 + 500.00 =3379.00 has been paid in excess which needs recovery.

In response to objection memo page no.60-61, the amount of Rs.3379.00 was recovered vide MR No. 14683/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.13 - Excess payment in works -

Bill- 1/R, Vr. No.10/02.05.15,

Name of the Work- CC road from Meher Nurse House to Tirtha Rana House,Balitikra road, W.No.2,

Estimated Cost.- Rs.980000/,Agreement value-960465 .00, Scheme-MV,

Name of the Contractor-Sri Arati Mangual,

JE-Smt. Pragya Paramita Panigrahi,ME-Sri Ajay Saha,

Name of the EO – Sri Dillip Mahanty,

MB No.16/13, p- 192 to 195,C/R No.1/15-16

On checking of the above case record w.r.to M.B. and other relevant records, it was found that the tender of the above project was accepted on 26.06.14 to complete within 1 month i.e on 06.08.126.07.14.But it was not completed in the scheduled time and actually completed on 15.04.15.The 1st running bill of Rs. 923568/ was paid on 11.7.14 which was executed within the scheduled time ,but the remaining amount of work for Rs.29386.00 was done after the scheduled time .The provision for penalty for delayed completion of work was not made in the agreement of contract. So the liquidated damage was calculated as per the govt. [provision @1.5%](#) per month of the unfinished amount of `work (to be calculated per day of delay).

As such,1.5 % of unfinished amount of Rs.29386.00 =441.00 per month should be charged against the contractor as per OPWD Code 2-3-1 and the instruction stipulated in Letter No.4225 dtd.16.5.15 of DLFA,Odisha, BBSR. As the project was completed after 8 months and 20 days as it was mentioned in the agreement, the penalty for delay in completion is 3822.00 towards liquidated damage.So why the amount of Rs.3822.00 will not be suggested for recovery may be stated to audit.

In response to objection memo page no.28-29, the amount of Rs.3822.00 was recovered vide MR No. 14684/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.14 - Excess payment in works -

Bill- 1/R,2/R, Vr. No.25/14.07.15,77/19.02.15

Name of the Work- Construction of cc road from Church boundary wall side to in front of Jayadurga Club W.N. 6.

Estimated Cost.- Rs.11,50,000/,Agreement value-11,26,624.00, Scheme-BRGF

Name of the Contractor-Sri Hrushikesh Meher,

JE-Aruna Manjari Singh,ME-Sri Ajay Saha,

Name of the EO – Sri Sushanta Rout,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Hrushikesh Meher, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor through addition of labour cess in the work bill to a tune of Rs.3981.00 and Rs.4725.00 in 1/R and 2/R bill respectively. In tender work no govt. revenue should be added in the work bill and the same amount should be realized from the bill of the Contractor.

As such, why the amount of Rs.8706.00 (i.e.3981.00 + 4725.00) towards addition of labour cess will not be suggested for recovery may be stated to audit.

In response to objection memo page no.116-117, the amount of Rs.8706.00 was recovered vide MR No. 14683/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.15 - Excess payment in works -

Bill- 1/R, Vr. No.403/01.09.15,

Name of the Work- Renovation of cc road from Dhanu Sahu House to Kedia Mater house W.N. 5.

Estimated Cost.- Rs.1,49,000/,Scheme-RD

Name of the Contractor-Sri Chittaranjan Swain,

JE-Pragya Paramita Panigrahi,ME-Sri Ajay Saha,

Name of the EO – Sri Sushanta Rout,

MB No.12/12, p- 159 to 162,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Chittaranjan Swain, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor through addition of labour cess in the work bill to a tune of Rs.947.00. In tender work no govt. revenue should be added in the work bill and the same amount should be realized from the bill. As such, excess payment has been made to a tune of Rs.947.00 which needs recovery.

In response to objection memo page no.20-21, the amount of Rs.947.00 was recovered vide MR No. 14684/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.16 - Excess payment in works -

Bill- 1/R, Vr. No.275/21.07.15,

Name of the Work- Construction of cc drain at Japan Mahapatra house, Ward No.19

Estimated Cost.- Rs.1,11,000/,Agreement value-108532/,Scheme-Own Fund

Name of the Contractor-Sri Chittaranjan Swain,
JE-Pragya Paramita Panigrahi,ME-Sri Ajay Saha,
Name of the EO – Sri Dillip Mahanty,
MB No.10/12, p- 138 to 144,

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Chittaranjan Swain, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor through addition of labour cess in the work bill to a tune of Rs.782.00. In tender work no govt. revenue should be added in the work bill and the same amount should be realized from the bill. As such, excess payment has been made to a tune of Rs.782.00 which needs recovery.

In response to objection memo page no.26-27, the amount of Rs.782.00 was recovered vide MR No. 14684/25.3.17,MR Book-10.The recovery was verified duly and para was dropped.

15.17 - Less realization of royalty in dwelling houses under IHSDP -

On verification of the above case record with reference to MBs and other connected records it was revealed that the following projects (dwelling houses) of IHSDP were taken up but the royalty in enhanced rate as prescribed by Govt. has not been realized from the bill which is a loss of govt. revenue which needs recovery.

Sl No	Name of project(Construction of dwelling house of)	Vr No/Date	royalty deducted	royalty due	Less realized
1	Baleswar Mahananda	58/11.9.15	290	406	116
2	Asila Sahu	140/28.3.16	290	406	116
3	Shyam Sunder Mallick	70/29.10.15	290	406	116
4	Hari Suna	134/26.2.16		348	348
5	Shova Meher	126/24.2.16	335	469	134
6	Shova Meher	141/29.3.16	220	308	88
7	Lobha Bibhar	72/29.10.15	284	398	114
8	Sana mallick	15/22.5.15	220	308	88
9	Kamru Sahu	17/23.5.15	290	406	116
10	Ranjit Seth	146/30.3.16	290	406	116
11	Bishakha Bargey	144/29.3.16	284	398	114
12	Laxmi Prasad Padhan	32/4.7.15	284	398	114
13	Dolamani Sahu	54/8.9.15	335	469	134
14	Dolamani Sahu	64/29.10.15	220	308	88
15	Dolamani Sahu	92/15.12.15	284	398	114
16	Dolamani Sahu	137/28.3.16	290	406	116
17	Bhima Saha	41/17.7.15	284	398	114
18	Bhima Saha	114/21.1.16	284	398	114
19	Alladini Palat	39/4.7.15	244	342	98
20	Thabira Pradhan	166/16.10.15	555	777	222
21	Thabira Pradhan	85/4.12.15	284	398	114

22	Murali Padhan	46/12.8.15	556	778	222
23	Murali Padhan	83/4.12.15	284	398	114
24	Susil Thakur	96/2.1.16	290	406	116
25	Susil Thakur	125/24.2.16	290	406	116
26	Jharana Meher	55/11.9.15	555	777	222
27	Jharana Meher	82/4.12.15	284	398	114
28	Gouranga Seth	149/30.3.16	290	406	116
29	Bhagat Charan Padhan	65/29.10.15	284	398	114
30	Radheshyam Badhei	98/7.1.16	555	777	222
31	Ganesh Tripathy	118/21.1.16	284	398	114
32	Sridhara Sahu	87/4.12.15	555	777	222
33	Sridhara Sahu	123/24.2.16	284	398	114
34	Mukta Mahapatra	99/7.1.16	555	777	222
35	Ketaki Mahakud	18/23.5.15	556	778	222
36	Ketaki Mahakud	40/4.7.15	284	398	114
37	Ketaki Mahakud	71/29.10.15	284	398	114
38	Paramananda Dash	21/3.6.15	290	406	116
39	Purnima Sahu	73/3.12.15	555	777	222
40	Purnima Sahu	115/21.1.16	284	398	114
41	Deb Charan Mallick	30/25.6.15	290	406	116
42	Ranjan Nag	1/4.4.15	556	778	222
43	Ranjan Nag	13/22.5.15	282	395	113
44	Ranjan Nag	56/11.9.15	290	406	116
45	Sarathi Nag	4/4.4.15	280	392	112
46	Sarathi Nag	27/12.6.15	290	406	116
47	Hiralal Kumbhar	16/23.5.15	290	406	116
48	Budhu Paik	14/22.5.15	282	395	113
49	Budhu Paik	52/12.8.15	290	406	116
50	Sabitri Tandi	19/23.5.15	556	778	222
51	Sabitri Tandi	100/7.1.16	284	398	114
	Grand Total		16866	23612	6404

As such, why the amount of Rs.6404.00 will not be suggested for recovery may be stated to audit.

In response to objection memo page no122-123 and 130-131, the amount of recovery will be met out of SD available in the respective case .But till the end of audit,no recovery was shown to audit . Hence the para stands on its own merit and Rs.6404.00 was suggested for recovery from the person responsible as follows.

1.Sri Dilip Mohanty EO Rs.3202.00

2.. Sri Sushanta Kumar Panigrahi Rs.3202.00

15.18 - Excess payment in works

Bill- 1/R, Vr. No.34/10.12.15,2/R,Vr No.37/22.3.16, C/R No.02/06,

Name of the Work- Construction of cc drain from Manabandh to Krushna Bishi house, Ward No.3

Estimated Cost.- Rs.9,32,000/,Agreement value-9,03,815/,Scheme-BRGF

Name of the Contractor-Sri Arun Kumar Dalai,

JE-Aruna Manjari Singh(1/R)JE-Pragya Paramita Panigrahi,(2/R),AE-Sri Rama Chandra Nayak,

Name of the EO – Sri Dillip Mahanty,

MB No.9/12, p- 164 to 173,3/14,P- 100 to 106

On verification of the above case record with reference to MBs and other connected records it was revealed that the above project was entrusted to Sri Arun Kumar Dalai, Contractor on tender. On scrutiny it was noticed that excess payment has been made to the Contractor to a tune of Rs.10237.00 as detailed below.

(i) Excess payment has been made through addition of labour cess in the work bill to a tune of Rs.6572.00. In tender work no govt. revenue should be added in the work bill and all govt. revenue as fixed from time to time should be realized from the bill of the Contractor. As such, excess payment has been made to a tune of Rs.6572.00 which needs recovery.

1/R Bill, Labour cess added in the work bill-3472.00,

2/R Bill, Labour cess added in the work bill-3100.00,

Total Rs.6572.00

Further scrutiny disclosed that the pass for payment has been made in excess than the actual value of work done as shown in MB and work bill as follows.

1/R bill,Actual pass for payment comes to Rs.349477.00,

But shown as Rs.350716.00,thus excess Rs.1239.00

(ii) Similarly,in 2/R bill, Actual pass for payment comes to Rs.308719.00,

But shown as Rs.310645.00,thus excess Rs.1926.00

As such, excess pass for payment made in 1/R and 2/R bill,Rs.1239.00 + 1926.00 =3165.00

(iii) Further, the cost of transparency board amounting Rs.500.00 has been provided in the 1/R bill and paid to the contractor without being provided in the agreement which is considered as excess payment and cannot be admitted by audit .

As such,a sum of Rs. 6572.00 + 3165.00 +500.00 =10237.00 has been paid in excess which needs recovery.

In response to objection memo page no.53-55, the amount of Rs.10237.00 was recovered vide MR No.14683/25.3.17,MR Book-10 .The recovery was verified duly and para was dropped.

15.19 - Persistent irregularities noticed in works account -

The following common irregularities are noticed during checking of the work case records as procedural defects. The points are consisting of basic elements of record maintenance in context of execution of work which should be kept in view of the payment process to avoid mess up of irregularities. The Local authority is recommended to take sincere effort to minimize these lapses by way of strengthening checking mechanism. Introduction of check list in this context is an alternative solution to check the increasing phenomenon of irregularities. The Junior Engineer, Municipal Engineer and Executive Officer are suggested to go through these lapses and refrain from such irregularities.

(a) All works of municipality are executed through tender process.The terms and conditions of the Contractor regarding penalty for non execution of work in scheduled time, realization of Govt revenue, EGB etc. are not mentioned in the agreement paper which may be ensured in future, Completion of work within the prescribed time as per agreement should be strictly ensured.

- (b) Sanction order of every project which is essential are not attached to case records.
- (c) Overwriting, uses of whitener etc. are noticed in measurement book. Overwriting, uses of whitener etc. are prohibited in measurement book. The wrong entry may be corrected by putting a line across the wrong entry and making a correct entry above the wrong entry with initial of the person having done such correction.
- (d) Work register not maintained properly, which is quite essential to watch proper utilization of fund, progress and completion of work.
- (e) Asset Register is not maintained.
- (f) Completion certificate in respect of the completed project are not furnished in each case record.
- (g) Sketch Map of land and proper identification of beneficiary are not attached to IHSDP case records.
- (h) Asset Register not maintained.
- (i) Photographs of transparency board are not available in most of the projects.
- (j) Details of land scheduled are not furnished in case records.

PARA: 16 AUDIT ON UNITS / DEPARTMENT

16.1 - Audit on units and Department -

There are no separate units or departments in the Municipality audit of which can be conducted. So, audit on units or departments was not conducted by the present audit.

PARA: 17 AUDIT ON SCHEMES / PROGRAMMES

17.1 - Backward Region Grant Fund Scheme -

Backward Regions Grant Fund (BRGF) is a Central Scheme launched in 20 (Twenty) Districts viz: Balangir, Bargarh (included in 2012-13), Boudh, Deogarh, Dhenkanal, Gajapati, Ganjam, Jharsuguda, Kalahandi, Kandhamal, Keonjhar, Koraput, Malkangiri, Mayurbhanj, Nabarangpur, Nuapada, Rayagada, Sambalpur, Subarnapur & Sundargarh of the State. 3921 Gram Panchayats (GPs), 217 Panchayat Samitis (PSs), 1 Municipal Corporation, 22 Municipalities and 50 NACs are covered under this scheme.

The scheme is aimed to redress the regional imbalances in development, bridge critical gaps in local infrastructure and other developmental requirements, strengthen Panchayat and Municipality level governance with more appropriate capacity building, provide professional support to local bodies for planning and improve the performance of Panchayats.

Under this scheme, Annual Plan is prepared by Panchayats through Gram Sabhas and ULBs through Ward Sabhas and District Planning Committee (DPC) consolidate these plans into District Plan in keeping with the "Vision" of the District set out in the Planning Commission's guidelines. Special care is taken for SCs/ STs by preparing a separate Sub-plan within the Plan of each Panchayat and ULB showing the scheme-wise allocations for SCs/ STs.

Panchayati Raj Institutions (PRIs) and ULBs use BRGF funds of any purpose within the items that are devolved to them respectively as listed in the 11th & 12th Schedule of the Constitution respectively. 100% fund is provided by the Ministry of Panchayati Raj, Govt. of India as Central

Grant. Provision of Rs.305.67 Cr. have been made till 2010-11, Rs.320.96 Cr. during 2011-12 and Rs.340.03 Cr. (including Rs.19.07 Cr. Of Bargarh district) during 2012-13 towards developmental work. Rs.9.00 Cr. was earmarked annually for Capacity Building for 19 districts till 2011-12 and from 2012-13 it has been raised to Rs.20.00 Crore including Rs.1.00 Cr. for Bargarh. During 2013-14, Govt. of India has again raised the annual entitlement of 20 BRGF Districts to Rs.417.01 Cr. under BRGF Development Grant. As per orders of State Govt., instructions have been issued to earmark funds in the following manner: The amount of fund for Urban Areas will be – "Percentage of urban population in the District + 15% extra or 40% of the total fund for the District, whichever is lower". The balance amount of fund shall be earmarked for Rural Areas and distributed amongst the PRIs as indicated below: a) GP - 50%; b) PS (Block) - 30%; (c) ZP - 20%

All BRGF works in Rural Areas worth up to Rs.5.00 Lakh only shall be taken up through Village Labour Leader (VLL) system. However, works worth of more than Rs.5.00 Lakh, which demand technical competency, shall be executed through open tender process. In case, where BRGF fund is dovetailed with NREGS fund, the mode of execution shall be as per the NREGS guideline. Projects not less than Rs.4.00 lakh at District level and not less than Rs.2.00 lakh at Panchayat Samiti (Block) and Gram Panchayat (GP) levels shall be taken up. In the Urban Local Bodies (ULB) areas, projects not less than Rs.2.00 lakh shall be executed and the mode of execution will be through open tender process.

Details of Projects taken up during 2015-16 -

Sl. No.	Scheme	V. No/ Dt.	Total value of work done	Name of the work	Agency
1	2	3	4	5	6
1	BRGF	1/6.4.15	123,400.00	Const of CC Drain from Saw mill Railway station to Ganesh Mandir,	Chittaranjan Swain
2	BRGF	4/10.4.15	340,332.00	Const of CC road & Drain from Kesab Dash house to Chanchala Mshra house	Gukul Debta
	BRGF	18/1.7.15	93,983.00		
3	BRGF	6/23.4.15	348,549.00	Const of CC road & Drain from Canalpada side	Kamal Tandi
5	BRGF	11/21.5.15	648,935.00	Const of CC road formation from Rialway station to Govindpali	Chittaranjan Swain
	BRGF	17/1.7.15	235,373.00		
	BRGF	32/11.9.15	147,797.00		
6	BRGF	13/28.5.15	105,644.00	Const of CC road from Siva Mandir to Dashpada siva Mandir	Antaryami Parida
7	BRGF	15/25.6.15	291,242.00	Const of CC road from RD road to Pradeep Sahu near boiler farm	Gokul Debta
8	BRGF	20/1.7.15	595,230.00	Const of CC drain from Suresh Sahu house to Postal office	Kamal Tandi
9	BRGF	21/1.7.15	282,510.00	Const of CC road from Pathanpada towards TF College up to Bipin padhan house	Hrusukesh Meher
10	BRGF	23/10.7.15	519,095.00	Const of CC drain from Durga Mandir to Santosh Subudhi	Antaryami Parida
11	BRGF	25/14.7.15	477,215.00	Const of CC road from Church Boundary wall side to infront of jaydurga club,	Hrusukesh Meher
12	BRGF	26/14.7.15	350,716.00	Const of CC drain from Manabandh to krushna Bisi house	Arun ku Dalai
	BRGF	34/10.12.15	310,645.00		
	BRGF	37/22.3.16	9,168.00		
13	BRGF	29/3.9.15	76,473.00	Const of CC road & Drain from Umesh Pradhan house to Harijan pada	Kamal Tandi
14	BRGF	31/11.9.15	431,200.00	Const of CC road & Drain from Bapi Panigrahi house to Basu sahu house	Kamal Tandi

Physical and Financial targets and achievement of BRGF Scheme -				

Conclusion:

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It will be the responsibility of the officers of the Implementing Agencies to regularly visit the works spots to ensure that the works are progressing satisfactorily as per the prescribed procedure and specifications and the time schedule. The Implementing Agencies shall furnish physical and financial progress of each work to the District Authority every month with a copy to the concerned State Department. The Implementing (22) Agencies should provide the report also in the soft format. A work register should also be maintained by the implementing agencies showing details of the physical and financial progress of projects being undertaken by them. This register should also contain the details of spot visit made by the implementing agencies. Implementing Agency must inspect 100% of the works. The Implementing Agencies

shall furnish completion report/certificates and utilization certificates to the District Authority within one month of completion of the works.

Details of Projects taken up during 2015-16 -

1	MPLAD	1/3.9.15	488,962.00	Const of CC road from Phirphiri Matha to Swargadwar ,Balitikra	Deepak Gartia
2	MPLAD	291/27.7.15	100,000.00	Library hall at Prajapita Bramhakumari	BK Lalit kumar Saraf
3	MPLAD	2/17.10.15	704,280.00	const of CC road from Odyssey motors to Zeera river	Himanshu Dash
		14.1.16	95,538.00		
4	MPLAD	4/23.2.16	449,502.00	Const of CC road from Lalbihari house to Harekrusna sahu house	Arun Ku Dalai
			1,838,282.00		

Physical and Financial targets and achievement of MPLAD Scheme -

Name of the scheme	O.B.	Funds received during the year	Total	Expenditures	Unspent balance at the end of the year	% of exp	No. of spill over projects	No of projects planned during the year	Total	No of projects completed	No of spill over projects to the next year	% of achievement
MPLAD	2746839.8	1075000	3821839.8	1838282	1983557.83	48.10%	5	0	5	4	1	80.00%

Conclusion:-

It would be seen from the above table that during the year 2015-16, a sum of Rs 1075000.00 was received towards grants under MPLAD. Out of the available funds of 3821839.8 (including OB), a sum of Rs.18,38,282.00 was incurred expenditures leaving a balance of Rs.1983557.83. The percentage of utilization of funds is 48.10%. Out of the total 5 nos. of projects, 4 nos of projects were completed during 2015-16 leaving 1 no. of project. The local authority is suggested to complete the incomplete project during the FY 2016-17.

The overall progress of MPLAD Scheme in this Municipality is far from satisfaction as the funds so received has not been utilized since long. The funds should have been utilized within one year of receipts of grant which has not been done. Due to non-utilization grants, the very purpose for which the Scheme was meant is defeated causing hindrance to welfare of the common people as well as the country as a whole. At the time of Exit Conference, the local authority replied that unutilized grant will be spent in the next financial year. However, the local authority is suggested to utilize the balance funds under MPLAD and submit utilization certificate to proper quarter.

17.3 - SJSRY-NULM Scheme -

To reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self employment and skilled wage employment opportunities, resulting in an appreciable improvement in their livelihoods on a sustainable basis, through building strong grassroots level institutions of the poor. The mission would aim at providing shelters equipped with essential services to the urban homeless in a phased manner. In addition, the mission would also address livelihood concerns of the urban street vendors by facilitating access to suitable spaces, institutional credit, social security and skills to the urban street vendors for accessing emerging market opportunities

As per resolution No-34717/HUD, Dt-05.12.13 of Govt. of Odisha in Housing and Urban Development Department, The National Urban Livelihood Mission (NULM) a centrally sponsored scheme was to be implemented from 01.01.2014 after sub summing earlier urban poverty alleviation scheme namely SJSRY. The objective of NULM a flagship programme of the Ministry of Housing & Urban Livelihood Mission alleviation (M/O HUPA) is to reduce poverty and vulnerability of the urban poor household by enabling them to access gainful self employment, skill wage employment opportunities. The NULM shall be implemented in a mission mode for 5 years.

Considering the importance of the programme and to gear up the pace of implementation in a more effective manner, the following administrative set-up was established.

1. State Level Monitoring Committee (SLMC) under the chairmanship of Commissioner-cum-Secretary, H & UD Department.
2. State Urban Development Agency (SUDA) under the chairmanship of Hon'ble Minister H&UD Department.
3. District Urban Development Agency (DUDA) under the chairmanship of Collector & District Magistrate.
4. District Urban Poverty Alleviation Cell.
5. UBB/ Town Poverty Alleviation Cell (TPA Cell).

6. Urban Poverty Alleviation Programme Co-ordination and monitoring committee at ULB level.

Grant Position of NULM:-

Particulars	Self-Employment (Individual)	Self-Employment (Individual)	Social Mobilization & Institutional development	Employment Skill Training & Placement	Capacity Building & Training	Shelter for Urban Homeless
	Nil	Nil	1,68,000	35,63,200	7,20,000	16,00,000

Particulars	Self-Employment (Individual)	Self-Employment (Individual)	Social Mobilization & Institutional development	Employment Skill Training & Placement	Capacity Building & Training	Shelter for Urban Homeless
Opening balance	36,050	Nil	70,000	1,86,137	4,01,572	Nil
Receipt	Nil	Nil	1,68,000	35,63,200	7,20,000	16,00,000
Total	36,050	Nil	2,38,000	37,49,337	11,21,572	16,00,000
Expenditure	Nil	Nil	1,50,000	37,43,469	3,61,764	Nil
Closing Balance	36,050	Nil	88,000	5868	7,59,808	16,00,000

SEP(I)-Self Employment Programme Individual:-

In order to provide SEP(I) application was invited from individual by publishing notification in the notice board and through paper advertisement. A task force comprise of Executive Officer, IPO, Bankers, Lead Dist Manager representative of NGO. The work of TFC is to scrutinise the application, interest subsidy @7% was sanctioned to the beneficiaries. 38 numbers of individuals were sanctioned with SEP (I) and the interest subsidy claimed by the bank to SLBC.

SEP(G)- Self Employment Programme Group:-

Under this component SHGs are getting interest subsidy. They have to pay only 7% interest to the bank towards repayment of the loan. The community organisers have to contact the SHG to make loan from the bank which charges is very less and the interest subsidy claimed by the bank to SLBC.

SM&ID Revolving Fund:-

During the financial year 2015-16 the benefit of Social Mobilisation & Institutional Development Revolving Fund was extended to 15 numbers of group @ Rs-10000 to each group total amounting Rs-1,50,000/- out of the available grant Rs.2,38,000. The balance of Rs-88,000/- is to be paid to different SHGs after completion of graduation of SHGs. So the balance amount couldn't be spent.

EST&P(Employment Skill Training & Placement):-

Under this component the Govt has to bear 30% towards training cost and supply of toolkits 50% expenditure for completion of training and 20% for if the training institute provide self employment or placement.

Out of the available grant of Rs-37,49,337.00, a sum of Rs.37,43,469 was incurred expenditure and the balance amount is Rs.5868/- under this component.

During the year under audit, 647 nos of beneficiaries were extended the benefit of training for their placement and self-employment an abstract position of training is furnished below:-

Sl. No.	Name of the STPs	Name of the Trade	No. of trainees
1	IEDC Cuttack	Garment construction technique	119
		Bridal makeup artist	103
		Driving-cum-mechanic	107
		DTP & Print publishing	71
2	Hari Telematics Pvt Ltd	Garment construction technique	90
3	Shri Technologies Pvt. Ltd.	Bed side assistant	40
		Account assistant using tally	16
4	Visionary Knowledge and management services	Account assistant using tally	61
5	Satyam Skill and Development	Account assistant using tally	40
		Total=	647

Capacity Building and Training (CB&T):-

Under this component there is provision for capacity building of the Community organiser and training and salary of the community organiser. Out of available fund Rs.11,21,572, Rs.3,61,764 was incurred expenditure and the balance amount is Rs.7,59,808.

Shelter for Urban Homeless:-

Under this component there is the provision to construct shelter for urban homeless. For construction of SUH tender was invited for Rs.40 lakhs. 16 lakhs of fund is received from Govt. Now the construction work of SUH building is up to roof level.

Support to Urban Street Vendors (SUSV):-

This component provides provision to support the urban street vendors and construction of vending zone. No fund was received by the Govt. under this component.

PARA: 18 MISCELLANEOUS

18.1 - Non compliance to previous outstanding audit paras-page 109/13.01.17 -

The compliance to previous outstanding audit paras along with the audit compliance register may be produced to audit for verification. The details of outstanding audit paras are furnished below.

SI No	Audit Report No. with year of account	Paragraphs pending for settlement relating to misappropriation of cash & loss of stock & store		Paragraphs pending for settlement other than misappropriation and defalcation		Total	
		No. of paragraphs	Amount	No. of paragraphs	Amount	No. of paragraphs	Amount
1	2	3	4	5	6	7	8
1	121493/15-16	2	140.00	16	22496267.41	18	22496407.41

In response to objection memo p-109/13.01.17, the local authority replied that all compliances have already been sent for settlement. But no compliance was produced to audit in this regard. However, the local authority is once again requested to produce the said records before the next audit for verification and settlement of audit objection.

18.2 - Production of records which were not produced to previous audit-POM P-16/16.12.16 -

The records and registers which were not produced to previous audit may be produced to the present audit for verification. The local authority was requested vide POM page 16/16.12.16 to produce the records which were reported as not produced and related expenditure were held under objection in the last and previous audit report for verification. The local authority failed to produce the records. As such the present audit could not verify the records in question. In response to objection memo p-88/ 07.03.17, no reply was furnished by the local authority. However, the local authority is requested to produce the said records before the next audit for verification and settlement of audit objection.

18.3 - NON-REALISATION OF SECURITY DEPOSIT -

As per Rule- 269 of O.G.F.R. (vol.-I) the cashier, storekeeper and other subordinate staffs who are entrusted with the custody of cash or store should be required to furnish security and to execute a security bond. But it was not done till yet despite the objection in previous audit reports. The same may be ensured henceforth.

18.4 - Staff Position -

The Staff Position of Bargarh Municipality for 2015-16 is furnished below.

SI.No.	Category of post	Sanctioned strength	Existing strength	Vacancy position	Remarks
	L.F.S.CADRE				

1	Head Assistant	1	1	-		
2	Senior Assistant	4	-	4		
3	Junior Assistant	9	5	4		
4	Asst. Executive Engineer	1	1	-		
5	Junior Engineer	1	-	1		
6	Community Organizser	2	1	1		
	Total:	18	8	10		
	NON-LFS CADRE					
	<u>Health section</u>					
1	Jamadar	2	2	-		
2	Sweeper/sweepress	33	31	2		
3	Tractor Driver	1	1	-		
4	Orderly Peon to AHO	1	1	-		
	Total:	37	35	2		
	<u>Tax Collection Estt.</u>					
1	P.S.to Tax & Licence	1	1	-		
2	Asst.Tax Collector	1	1	-		
3	Tax Collector	3	3	-		
	Total:	5	5	-		
	<u>PUBLIC WORKS ESTT.</u>					
1	Amin	1	1	-		
2	Peon	1	1	-		
3	Work Sarkar	1	1	-		
	Total:	3	3	-		
	<u>U.B.S. SECTION</u>					
1	Peon	1	1	-		
	Total:	1	1	-		
	<u>GENERAL ESTT</u>					
1	Light Checker cum- Peon	1	1	-		

2	Children Park Chow.	1	1	-		
3	Peon	1	1	-		
4	Treasury Sarkar	1	1	-		
5	Orderly Peon to E.O.	1	1	-		
6	peon	1	1	-		
	Total:	6	6			
	<u>OCTROI COLLECTION ESTT.</u>					
1	Octroi Tax Collector	19	19	-		
2	Octroi Peon	12	12	=		
	Total:	31	31	-		
	<u>MEDICAL ESTT.</u>					
1	Lady Asst.Surgeon	1	-	1		
2	Pharmacist	1	-	1		
4	Nursing Orderly	2	2	-		
5	Sweeper	2	1	1		
7	Ambulance Driver	1	1	=		
	Total:	7	4	3		
	Grand Total:	108	93	15		
	<u>Work-Charged</u>					
1	Peon	3	3	-		
2	Road Collie	16	14	2		
3	Sweeper	43	37	6		
4	Line Man	3	2	1		
5	Zamadar	1	1	=		
	Total:	66	57	9		
	Octroi estt. (adhoc)					
1	Octroi Tax Collector	12	12	-	Adhoc	
2	Octroi Peon	12	12	=	Adhoc	
	Total:	24	24	-		
	<u>Contractual</u>					
1	Junior Engineer	1	1	-	Contractual	
2	Accountant	1	1	-		
3	Asst.Engineer	1	1	-		
4	MIS-Computer	1	1	-		

5	Community Organizer	4	3	1	Contractual	
	Total:	8	7	1		
	<u>NMR/DLR</u>					
1	Public-Works Estt.	10	10	-		
2	Health Estt.	64	60	4		
	Total:	74	70	4		
	GRAND TOTAL:	172	158	14		

The E.O. is advised to take necessary step for filling up the vacant post.

18.5 - Position of Cluster Houses/municipal quarters occupied by employees other than municipal employees POM page No. 15, dated 16.12.2016 –

Whether there is any cluster houses/municipal quarters occupied by employees other than municipal employees?

Whether any house rent has been collected from the occupants of these quarters?

If yes, then furnish the number of cluster houses/ municipal quarters occupied by employees other than municipal employees with list of occupants and the amount of house rent collected during the financial year 2015-16.

Due to non-submission of information, the fact cannot be ascertained. However, the local authority is suggested to furnish the said information before next audit for verification.

18.6 - Receipt of HRA POM page No. 14/16.12.16 -

On issue of POM page No. 14/16.12.16, the local authority was requested to intimate whether any employee of this municipality is residing in municipal quarter and getting house rent allowance simultaneously. No reply was furnished by the local authority. So, the fact cannot be ascertained. However, the local authority is suggested to furnish the said information before the next audit for verification.

18.7 - Production of Quarter allotment file and House rent collection register POM Page-15 dated 16.12.16 -

The Quarter allotment file and House rent collection register for the year 2015-16 may be shown to audit for verification. The position of Municipal Quarters- Quarters occupied, vacant or damaged and collection of House rent thereof may be shown to audit for verification.

The above queries were made to the local authority on issue of POM page No.15 dated 16.12.16.No reply was furnished by the local authority. So, the fact cannot be ascertained. However, the local authority is suggested to furnish the said information before the next audit for verification.

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

19.1 - Non remittance of govt dues –

It would be seen from the table furnished below that royalty, VAT, labour cess, Income Tax and Professional Tax amounting to Rs.3214077.00 was outstanding for deposit as on 31.03.2016. The local authority is requested to deposit the said government revenues into the proper government quarters and compliance reported to audit. Further, it would be noted that **Labour cess** has not been deposited in proper government quarters throughout the financial year 2015-16 at all.

Due to non-remittance of labour cess to proper quarters, surcharge and late fees may be charged and legal action may be initiated against the Executive Officer. The reason for non-remittance of labour cess to proper quarter may be stated to audit.

SI No	Head	OB	Receipts	Total	Expenditure	CB as on 31.03.2016
1	Royalty	284461.00	542708	827169.00	425594.00	401575.00
2	OST/VAT	504550.00	1326796.00	1831346.00	726456.00	1104890.00
3	Lab Cess	1145326.00	266040.00	1411366.00	0.00	1411366.00
4	Income Tax	229433.00	264612.00	494045.00	197799.00	296246.00
5	Professional Tax	0.00	231600.00	231600.00	231600.00	0.00
	Grant Total	2163770.00	2631756.00	4795526.00	1581449.00	3214077.00

POM page No. 84 -85 dated 23.02.2017 was issued on this score. In response to the objection memo, the local authority replied that outstanding government revenue will be deposited soon. The Executive Officer is suggested to deposit the outstanding government revenues and labour cess immediately so as to avoid future litigation and compliance reported to audit.

Till then, Rs.3214077.00 is kept under objection.

19.2 - Audit of Loan POM page No. 87 dated 23.02.2017 -

As per Rule 149 of the Odisha Municipal Rules, 1953 a loan register is to be maintained in form number XXVII. Further, Rule 150 of the OM Rules, 1953 envisages that the loan amount shall not be appropriated even temporarily to any object other than that for which the loan was raised. POM page No. 87 dated 23.02.2017 was issued to the local authority to furnish the position of loan for the financial year 2015-16. The last audit report is also silent about the position loan. So, the position of loan could not be furnished in the present audit.

In response to the objection memo, no reply was furnished by the local authority. However, the local authority is suggested to maintain a loan register.

19.3 - Position of SD/EMD --

On verification of cash books and case records, it was revealed that Security Deposit/EMD money has been deducted from each Contractor in tender works and laying in the Accounts of the Municipality but no ledger is maintained in this regard.

POM page No.85, dated 23.02.2017 was issued to the local authority to furnish the deposit ledger showing the details of Deposit/ outstanding deposit, refund of SD/EMD if any for verification. But, the local authority failed to furnish any reply. However, the local authority is suggested to maintain a register showing the SD/EMD position of the Samiti..

19.4 - Position of EPF/CPF POM page No. 85 dated 23.02.17-

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

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

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

As per Rule 446 of O.M. Rules, 1953 investments shall be made as early as practicable in the form of securities or deposits specified in the rule.

As per Rule 449 of O.M. Rules, 1953 the provident fund ledger, Abstract register, Cash Book and other records of the fund shall be examined monthly by the Executive Officer and shall be audited by the Examiner of Local Fund Accounts.

POM page No. 85 dated 23.02.17 was issued to the local authority to answer the following queries:-

(1) Whether all the CPF contributions deducted from the employees have been deposited in the proper account regularly or not deposited and retained in the municipal account?

(2) Whether the deposited amount is routed through Government treasury or not?

(3) Whether the contribution amount of the employees are deposited in the Postal Savings account, or any amount invested in any of the schemes noted in Rule 446 for getting higher interest etc.?

But, the local authority failed to furnish any reply. However, the deposit of EPF ascertained by audit basing upon the previous audit report is furnished below.

Particulars	Position of EPF
Opening Balance	2140350.00
Amount deducted during the year 2015-16	2899391.00
Total	5039741.00
Amount deposited during the year 2015-16	2899391.00
Balance to be deposited as on 31.03.2016.	2140350.00

POM page No. 84 -85 dated 23.02.2017 was issued on this score. In response to the objection memo, the local authority replied that all EPF money has been deposited and there is no outstanding EPF to be deposited. But the reply of the local authority contradicts the audit report.

However, the local authority is suggested to trace out the balance position of EPF and deposit the EPF contribution early under compliance to audit.

19.5 - Production of complaint/grievance register -

The complaint/grievance register maintained at the ULB level may be furnished in the following format:

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

In response to the objection memo page-86 dated 23.02.17, no reply was furnished by the local authority. However, the local authority is suggested to maintain the complaint/grievance register in future.

19.6 - Mis-utilisation of octroi compensation Grants towards purposes other than that specified in the sanction order -

The payment of salary to work charge employees, DLR/ NMR employees, 6th pay arrear etc. out of Octroi Compensation Grant made if any during the year 2015-16 may be furnished to audit.

In response to the objection memo page-86 dated 23.02.17, no reply was furnished by the local authority. As stipulated in the sanction order of the said grants, salary to work charged employees, DLR / NMR employees, 6th pay arrear under O.R.S.P., 2008 with effect from 01.01.2006 etc, should not be paid out of the said grant. The local authority is suggested to be vigilant in this regard.

PARA: 20 RESULT OF AUDIT

20.1 - Result of audit -

As a result of audit Rs.3,17,95,057.91 is held under objection which includes Rs3,22,347.00 suggested for recovery out of which Rs.2,78,863.00 is surchargeable. Besides this, Rs.1,10,381.00 was recovered on the spot at the instance of audit.

20.2 - Remarks of audit -

Double entry accrual based accounting system (DEABAS) as per Odisha Municipal (Accounts) Rules 2012 has not been maintained. Cash analysis at the end of each month has not been done. Adequate tender documents, terms and conditions on agreement paper are not kept in case record. Vouchers guard files have not been fully pasted and maintained. The difference between bank pass book figures mentioned in the cash books and the actual bank passbook balances have not been reconciled. Some of the prescribed registers are not maintained. Grants are not utilized fully. Huge amount of utilization certificates are pending for submission. Collections of different taxes are not up to the satisfaction. The DCB of taxes, fees and fines and other taxes u/s 290, leased properties may be prepared. The collection of license fees from mobile towers may be ensured. Some of the important records and registers, ledgers which are not maintained in this Municipality as stated in para 3 may be maintained. Summing up, the financial account of Bargarh Municipality for the financial year 2015-16 is far from satisfaction. It needs improvement. The kind attention of the Executive Officer and the present Council is invited for better maintenance of accounts.

20.3 - Audit Suggestion -

In view of the above remarks, the present audit gives following suggestions / recommendations:-

1. Double entry accrual based accounting system (DEABAS) may be maintained.
2. Conduct physical verification of liquid cash, stock and store periodically.
3. To maintain all records and registers prescribed under OM Rules, 1953.
3. To make analysis of the closing balance of cash at the end of each month.
4. To prepare realistic budget.
5. To park fund in eligible banks.
6. To reconcile the cash book balance with the bank balance.
7. To adjust the advance promptly and timely.
8. To utilize the sanctioned grant fully.
9. Submit utilization certificates to proper quarters promptly.

10. Ensure cent per cent collection of different taxes fees and fines.
11. Deposit EPF of the employees timely.
12. Take special care for payment of energy charges.
13. Remit government dues to proper quarters promptly.
14. Ensure proper check and supervision in every respect.

Result Of Audit

Sl No	Name Of The Paragraph	Amount suggested for recovery(In Rs.)	Amount kept on objection(In Rs.)	Amount Surchargeable(In Rs.)	Amount Embezzlement(In Rs.)	Amount Othercases(In Rs.)	Remarks
1	5.1	0.00	17059400.91	0.00	0.00	0.00	
2	8.1	143005.00	143005.00	143005.00	0.00	0.00	
3	14.1	53280.00	53280.00	53280.00	0.00	0.00	
4	14.2	37080.00	37080.00	0.00	0.00	0.00	
5	14.3	76221.00	76221.00	76221.00	0.00	0.00	
6	14.4	6000.00	6000.00	6000.00	0.00	0.00	
7	14.5	0.00	167400.00	0.00	0.00	0.00	
8	14.7	357.00	357.00	357.00	0.00	0.00	
9	14.8	0.00	74735.00	0.00	0.00	0.00	
10	14.9	0.00	2678.00	0.00	0.00	0.00	
11	14.10	0.00	6960000.00	0.00	0.00	0.00	
12	14.11	0.00	2140350.00	0.00	0.00	0.00	
13	14.13	0.00	149061.00	0.00	0.00	0.00	
14	14.15	0.00	458224.00	0.00	0.00	0.00	
15	14.16	0.00	1246785.00	0.00	0.00	0.00	
16	15.17	6404.00	6404.00	0.00	0.00	0.00	
17	19.1	0.00	3214077.00	0.00	0.00	0.00	
Total		322347.00	31795057.91	278863.00	0.00	0.00	

Audit Certificate

Certified that the accounts of Bargarh Municipality. Bargarh for the financial year 2015-2016 have been covered under audit and found correct subject to the comments / remarks offered in the foregoing paragraphs .

Spot Recovery

Sl No	Ref Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs.)	Name of the person
1	Para No.14.6/OM Page-79-80	24319/17.04.17,MR Book-10	2017-04-17	1200	Ghanashyam Bhoi,OTC
2	Para No.15.15/OM Page-20-21	14684/25.3.17,MR Book-10	2017-03-25	947	Chitaranjan Swain,Contractor
3	Para No.15.16/OM Page-26-27	14684/25.3.17,MR Book-10	2017-03-25	782	Chitaranjan Swain,Contractor
4	Para No.15.14/OM Page-116-117	14683/25.3.17,MR Book-10	2017-03-25	8706	Hrushikesh Meher,Contractor
5	Para No.15.13/OM Page-128-129	14684/25.3.17,MR Book-10	2017-03-25	3822	Arati Mangual,Contractor
6	Para No.15.12/OM Page-60-61	14683/25.3.17,MR Book-10	2017-03-25	3379	Gokul Debta,Contractor
7	Para No.15.10/OM Page-63-65	14683/25.3.17,MR Book-10	2017-03-25	3332	Antaryami Parida,Contractor
8	Para No.15.11/OM Page-124-125	14684/25.3.17,MR Book-10	2017-03-25	5143	Prem Rath,Contractor
9	Para No.15.9/OM Page-126-127	14684/25.3.17,MR Book-10	2017-03-25	4681	Hrushikesh Meher,Contractor
10	Para No.15.8/OM Page-24-25	14685/25.3.17,MR Book-10	2017-03-25	1865	Hrushikesh Meher,Contractor
11	Para No.15.6/OM Page-120-121	14684/25.3.17,MR Book-10	2017-03-25	18273	Tapan Kumar Surujal,Contractor
12	Para No.15.7/OM Page-55-57	14683/25.3.17,MR Book-10	2017-03-25	5635	Antaryami Parida,Contractor
13	Para No.15.5/OM Page-58-59	14683/25.3.17,MR Book-10	2017-03-25	6488	Gokul Debta,Contractor

14	Para No.15.4/OM Page-18-19	14685/25.3.17,MR Book-10	2017-03-25	2903	Hrushikesh Meher,Contractor
15	Para No.15.3/OM Page-118-119	14684/25.3.17,MR Book-10	2017-03-25	13016	Kamal Tandi,Contractor
16	Para No.15.2/OM Page-62-63	14684/25.3.17,MR Book-10	2017-03-25	18273	Tapan Kumar Surujal,Contractor
17	Para No.15.18/OM Page-53-55	14683/25.3.17,MR Book-10	2017-03-25	10237	Arun Kumar Dalai,Contractor
18	Para No.11.1/OM Page-32	23109/27.3.17,MR Book-95	2017-03-27	1000	Hema Chandra Meher,Cashier
19	Para No.11.2/OM Page-31	24329/20.04.17,MR Book-10	2017-04-20	699	Jayamini Surujal,OTC
				Total	110381