

**LOCAL FUND AUDIT, RAYAGADA, ODISHA**

CATEGORY : N A C

Audit Report No : 279687/AR/2016-2017-RAYAGADA

**PARA: 1 TITLE SHEET**

|    |  |  |
|----|--|--|
| 1  | Name of the Institution :                              | <b>Gudari NAC</b>  |
| 2  | Year of Accounts under Audit :                         | <b>2015-2016</b>   |
| 3  | Name of the Local Authority during the year of A/Cs :  | 1.SLRI A.NAGESWAR RAO, EO 1.4.2015 TO 31.3.2016  |
|    | Name of the Local Authority at the time of Audit :     | SMT GAYATRI DEVI SAHU, EO  |
| 4  | Duration of Audit :                                    | 14-03-2017 To 31-03-2017 (Mandays Consumed :- 8)   |
| 5  | Name of the Auditors :                                 | RAMESH CHANDRA DASH - Lead Auditor(14-03-2017 to 31-03-2017)<br>SANTOSH KUMAR BHOI - Auditor(14-03-2017 to 31-03-2017) |
| 6  | Name of the Reviewing Officer :                        | MANOJ KUMAR NAYAK(Audit Superintendent)  |
| 7  | Date of submission of report by Reviewing officer :    | 23-04-2017   |
| 8  | Entry Conference Date :                                | 09-03-2017   |
| 9  | Exit Conference Date :                                 | 20-04-2017   |
| 10 | Name of the District Audit Officer :                   | BIBHUTI BHUSAN RATH  |
| 11 | Date of approval of report by District Audit Officer : | 24-04-2017   |

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 |                   |                 |
| Gudari NAC              | 6             | 11         | 1502                          | 714 | 0        | 4710    | 6926  | 3479              | 3447            |

**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    | Cart Token                    | 14.03.2017   | 10 Nos           | 10 Nos                                    | Page-41  | -NIL-                |
| 2    | Cycle Token                   | 14.03.2017   | 129 Nos          | 129 Nos                                   | Page-41  | -NIL-                |
| 3    | Trolley Token                 | 14.03.2017   | 20 Nos           | 20 Nos                                    | Page-41  | -NIL-                |
| 4    | Daily Collection Receipt Book | 14.03.2017   | 130 Nos          | 130 Nos                                   | Page-45  | -NIL-                |
| 5    | Holding Rpt Books             | 14.03.2017   | 29 Nos           | 29 Nos                                    | Page-34  | -NIL-                |
| 6    | ServicePostage Stamps         | 14.03.2017   | RS. 885.00       | Rs. 885.00                                | Page-65  | -NIL-                |
| 7    | Cash in hand                  | 14.03.2017   | Rs. 36578.00     | Rs. 36578.00                              | Page-127   | -NIL-                |
| 8    | Miscellaneous Receipt Books   | 14.03.2017   | 323 Nos          | 323 Nos                                   | Page-39  | -NIL-                |
| 9    | Measurement Books             | 14.03.17   | 29 Nos           | 29 Nos                                    | Page-21  | -NIL-                |

**Comments**

As required under rule 20 of Odisha Local Fund Audit rules, 1951 the physical verification of cash in hand and other was conducted on 14.03.2017 before transaction and found the physical verification position agreed with book balance as per above .

**RETENTION OF HEAVY CASH IN HAND :-**

The cash in hand position as on 14.03.2017 ( before transaction ) is Rs.36578.00 which violate the O.M Rule . All collection amount should be deposited in the same day . Hence, E.O is requested all collection amount must be deposited immediately without keeping any cash in hand hence forth .

In the exit conference, the local authority stated that the collection amount could not be deposited in the Bank due to holiday on 11.03.2017 ,12.03.2017 and 13.03.2017 and the amount of Rs.34578.00 has been deposited in the Bank on 14.03.2017 after physical verification leaving Rs.2000.00 for office expense . Verified the Cashier Cash Book and found the amount has been deposited .

**PARA: 3 LIST OF VERIFIED RECORDS**
**A : List Of Verified Records/Register**

| S/no | List Records/Register   | Rules      | Form No        |
|------|---|------------|----------------|
| 1    | Stock & Store Register of Municipality                            | Rule 346   | Form W-VII     |
| 2    | Measurement Book  | Rule 365   | Form W-VIII    |
| 3    | Nominal Muster Roll (NMR)   | Rule 340   | Form W-II      |
| 4    | Miscellaneous Supply Bill   | Rule 343   | Form W-V       |
| 5    | Register of Works   | Rule 345   | Form W-VI      |
| 6    | Tax collector's Ledger  | Rule 198   | Form M         |
| 7    | Stock account of Receipt Forms                                    | Rule 196   | Form L         |
| 8    | Tax collector's daily collection register                         | Rule 192   | Form K         |
| 9    | Mutation Register   | Rule 184   | Form G         |
| 10   | Demand and Collection Register                                    | Rule 178   | Form B         |
| 11   | Stock Register of Stationery                                      | Rule 172   | Form No. XLIV  |
| 12   | Register of Grants  | Rule 80    | Form No. XLII  |
| 13   | Stock account of Tickets used for daily collection of Market fees | Rule 171   | Form No. XLIII |
| 14   | Stamp Account   | Rule 172   | Form No. XLIV  |
| 15   | Daily Collection Register   | Rule 171   | Form No. XL    |
| 16   | Miscellaneous Receipts  | Rule 157   | Form No. XXXIV |
| 17   | Stock account of License Number Plates                            | Rule 155   | Form No. XXXII |
| 18   | License for Carriages, Carts, Horses Other and animals            | Rule 154   | Form No. XXX   |
| 19   | Register of the Tax on Carriages, Carts, Horses and Other animals | Rule 151   | Form No. XXIX  |
| 20   | Annual Account of Receipts and Expenditure                        | Rule 145   | Form No. XXIV  |
| 21   | Register of Quarterly & Annual account of Expenditure             | Rule 144   | Form No. XXIII |
| 22   | Register of Quarterly & Annual account of Receipt                 | Rule 144   | Form No. XXII  |
| 23   | Deposit Ledger  | Rule 142   | Form No. XX    |
| 24   | Register of Outstanding Advances                                  | Rule 140   | Form No. XIX   |
| 25   | Advance Ledger  | Rule 136   | Form No. XVIII |
| 26   | Register of adjustments   | Rule 132   | Form No. XVII  |
| 27   | Abstract Register of Expenditure                                  | Rule 129   | Form No. XVI   |
| 28   | Abstract Register of Receipts                                     | Rule 129   | Form No. XV    |
| 29   | Cash Book of the municipality                                     | Rule 125   | Form No. XIV   |
| 30   | Voucher of Recoupment of Permanent Advance Account                | Rule 110   | Form No. XIII  |
| 31   | Permanent Advance Account   | Rule 108   | Form No. XII   |
| 32   | Salary Bills  | Rule 97    | Form No. IX    |
| 33   | Order Book  | Rule 96    | Form No. VIII  |
| 34   | Register of Bills   | Rule 96    | Form No. VII   |
| 35   | Challan   | Rule 87    | Form No. VI    |
| 36   | Subsidiary Cash Book  | Rule 128 A | Form No. V-A   |
| 37   | Cashier's Cash Book   | Rule 81    | Form No. V     |
| 38   | Schedule for the Budget Estimate                                  | Rule 77    | Form No. III   |
| 39   | Abstract of the Budget Estimate                                   | Rule 74    | Form No. I-A   |
| 40   | 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    | Progress statement of collection of taxes  | Rule 200 | Form N  |
| 2    | Notice of demand for tax u/s-161 of OM Act | Rule 202 | Form O  |
| 3    | Distraint Warrant Register                 | Rule 202 | Form P  |
| 4    | Register of writes off of demands          | Rule 190 | Form J  |
| 5    | Arrear Demand Register                     | Rule 187 | Form H  |
| 6    | Form of appeal petition                    | Rule 183 | Form E  |

|   |  |          |                 |
|---|--|----------|-----------------|
| 7 | Assessment List  | Rule 177 | Form A          |
| 8 | Register of Interest Bearing Securities                              | Rule 147 | Form No. XLI    |
| 9 | License Register for Drivers and Owners of Carriages plying for hire | Rule 156 | Form No. XXXIII |

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

| S/no | List Records/Register  | Rules    | Form No          |
|------|--|----------|------------------|
| 1    | Contract Certificate   | Rule 343 | Form W-IV        |
| 2    | Register of Estimates & Allotments                                   | Rule 332 | Form W-I         |
| 3    | Register of Distraigned property & sales                             | Rule 204 | Form S           |
| 4    | Warrant register   | Rule 202 | Form R           |
| 5    | Arrear List  | Rule 170 | Form No. XXXIX   |
| 6    | Ledger of Lessees  | Rule 170 | Form No. XXXVIII |
| 7    | Jamabandi Register   | Rule 170 | Form No. XXXVII  |
| 8    | Register of Rents for which there is fixed demand                    | Rule 163 | Form No. XXXVI   |
| 9    | Register of Lands  | Rule 160 | Form No. XXXV    |
| 10   | Application for License for Carriage, Cart, Horses and Other animals | Rule 152 | Form No. XXXI    |
| 11   | Appropriation Register of Loan Funds                                 | Rule 150 | Form No. XXVIII  |
| 12   | Loan Register  | Rule 149 | Form No. XXVII   |
| 13   | Register of Investments  | Rule 148 | Form No. XXVI    |
| 14   | Establishment Audit Register   | Rule 146 | Form No. XXV     |
| 15   | Register of outstanding deposits                                     | Rule 143 | Form No. XXI     |
| 16   | Periodical Increment Certificate                                     | Rule 99  | Form No. XI      |

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

| S/no | List Records/Register | Rules | Form No |
|------|-----------------------|-------|---------|
|------|-----------------------|-------|---------|

**Comments**

However as per the requisition, the record in full fledged manner was not produced. This can be seen from the above table showing the details of records and registers produced to audit that Audit compliance register was not maintained which was a mandatory requirement of accounts and book keeping. The work register which was not found in the above scroll was maintained, produced and verified. The asset register which kept the account of all the development work year to year, helps in planning, useful during preparation of annual action plan, prevents doubling of certain piece of work and prevent doubling of expenditure was not maintained which was highly irregular. Now once again the local authority was advised to take immediate step in this issue and compliance reported to the audit.

In the Exit conference , the E.O , Gudari N.A.C stated that due to over burden of office work with limited staff in the NAC , some registers has not been maintained regularly . After discussion E.O assured that necessary steps will be taken for maintenance of important records and registers hence forth .

However the B.D.O is advised to maintain the Grant Register, U.C register , Assets register, Deposit register, Abstract register of Receipt and expenditure etc in proper format by 31.05.2017 and compliance to be reported to audit .

**PARA: 4 FINANCIAL POSITION**

Gudari NAC - 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    | 3633932<br>6.64         | 30798089.<br>00                             | 67137415.<br>64         | 26570622.<br>34                                 | 31-03-2016                                | 4056679<br>3.30                | 31-03-2016                                    | 4056679<br>3.30                    | 0.00                |         |
|      | <b>GRAND TOTAL</b>    |               | <b>3633932<br/>6.64</b> | <b>30798089.<br/>00</b>                     | <b>67137415.<br/>64</b> | <b>26570622.<br/>34</b>                         |   | <b>4056679<br/>3.30</b>        |   | <b>4056679<br/>3.30</b>            | <b>0.00</b>         |         |

**Comments**

Details of closing balance of Gudari NAC as on 31.03.2016 is furnished below .

| SL NO | Particulars                                     | BANK BALANCE AS PER CASH BOOK |
|-------|---|-------------------------------|
| 1     | Axis Bank , A/C No- 6257A/C NO- 85214           | 7428757.69                    |
| 2     | Axis Bank, DSWO A/c NO- 1986                    | 3566616.00                    |
| 3     | Axix Bank (SBM) A/C NO-5214 .                   | 1587116.00                    |
| 4     | Indain Overseas Bank. RD , A/C NO-11816 .       | 1511421.00                    |
| 5     | Indian Overseas Bank (Main) A/C NO-01035 .      | 1623764.00                    |
| 6     | Odisha Urban Livelihood Mission. A/C NO-24429 . | 291104.00                     |
| 7     | PL Account ( Trysury)                           | 9079580.62                    |
| 8     | SBI (12th FCA) A/C NO-77804                     | 11828.82                      |
| 9     | SBI (13th FCA) A/C NO-65747                     | 3359535.00                    |
| 10    | SBI (BRGF) , A/C NO-78467                       | 2823711.00                    |
| 11    | SBI ( CRF) , A/C NO-78150                       | 18635.52                      |
| 12    | SBI (CRF II) , A/C NO-78116                     | 1356.18                       |
| 13    | SBI (DSWO) , A/C NO-73140                       | 3203512.04                    |
| 14    | SBI Harishchandra Sahayata , A/C NO-60081 .     | 116263.00                     |
| 15    | SBI (LFS Pen) , A/C NO-89880 .                  | 2919.00                       |
| 16    | SBI (MLA LAD) , A/C NO-73157                    | 75928.65                      |
| 17    | SBI (MP LAD) , A/C NO-99064                     | 784368.00                     |
| 18    | SBI (MVT) , A/C NO-95372 .                      | 472102.00                     |
| 19    | SBI (NON-LFS) , A/C NO-73139                    | 2030.09                       |
| 20    | SBI (Own A/c) A/C NO- 73128 .                   | 429964.69                     |
| 21    | SBI ( Road Development) , A/C NO-49030          | 4170868.00                    |
| 22    | SBI (RTI) , A/C NO-78149 .                      | 3159.00                       |
| 23    | SBI, SECC- A/C NO -33914266119                  | 2253.00                       |
| 24    | SBI (SJSRY-1) , A/C NO-3162                     | 0.00                          |
| 25    | SBI (SJSRY- II) , A/C NO- 9269                  | 0.00                          |
|       | <b>Grand Total</b>                              | <b>40566793.30</b>            |

**Details of receipt & expenditure Gudari NAC for 2015-2016.**

| STATEMENT-B  |
|--|
| STATEMENT SHOWING THE DETAIL RECEIPTS OF UGDARI NAC FOR THE YEAR 2015-2016 |

| SL NO    | HEAD OF ACCOUNT                                 | FOR THE YEAR 2014-2015 | FOR THE YEAR 2015-16 |
|----------|---|------------------------|----------------------|
| <b>A</b> | <b>RENT AND TAXES:-</b>                         |                        |                      |
| 1        | Holding tax ( Arr)                              | 16557                  | 35067                |
| 2        | Holding tax (Current)                           | 43529                  | 52712                |
| 3        | Lighting tax (Arr)                              | 15142                  | 31873                |
| 4        | Lighting tax (current)                          | 39630                  | 46831                |
| 5        | Water tax (Arr)                                 | 6669                   | 13262                |
| 6        | Water tax(current)                              | 18485                  | 22841                |
| 7        | Drainage Tax (Arr)                              | 3728                   | 7326                 |
| 8        | Drainage tax(current)                           | 11381                  | 14175                |
| 9        | Cart & carriage                                 | 2136                   | 1124                 |
| 10       | Service tax. (Arr)                              | 10519                  | 34545                |
| 11       | Service tax (Crrtent)                           | 21436                  | 25035                |
|          | <b>Total</b>                                    | <b>189212</b>          | <b>284791</b>        |
| <b>B</b> | <b>LICENCES AND OTHER FEES:-</b>                |                        |                      |
| 1        | Bus stand                                       | 67540                  | 78480                |
| 2        | D & O Trade (U/S -290)                          | 15058                  | 11846                |
| 3        | Building plan & fees                            | 50395                  | 11085                |
| 4        | Cattle pound                                    | 0                      | 0                    |
| 5        | Ferry Ghat                                      | 90500                  | 30100                |
| 6        | Contractor licence frees                        | 0                      | 7000                 |
|          | <b>Total</b>                                    | <b>223493</b>          | <b>138511</b>        |
| <b>C</b> | <b>REVERNUD DERIVED FROM NAC PROPERTY</b>       |                        |                      |
| 1        | Stall rent                                      | 47565                  | 61010                |
| 2        | Cess pool                                       | 13000                  | 14000                |
| 3        | Mutation fees                                   | 2116                   | 750                  |
| 4        | Water tanker                                    | 36600                  | 28500                |
| 5        | Daily Market                                    | 10464                  | 7977                 |
| 6        | Cost of tender paper                            | 278230                 | 7140                 |
| 7        | water supply                                    | 59000                  | 62000                |
| 8        | Auction sale                                    | 9472                   | 0                    |
| 9        | Town hall                                       | 300                    | 0                    |
| 10       | Slughter house                                  | 0                      | 7820                 |
| 11       | Kalyan Mandap                                   | 0                      | 22000                |
|          | <b>Total</b>                                    | <b>456747</b>          | <b>211197</b>        |
| <b>D</b> | <b>GOVT GRANT:-</b>                             |                        |                      |
| 1        | BRGF  | 0                      | 0                    |
| 2        | C.C.Road  | 0                      | 0                    |
| 3        | Road maintenence                                | 0                      | 0                    |
| 4        | Road development                                | 355000                 | 526000               |
| 5        | Road & Bridges                                  | 3362000                | 794000               |
| 6        | Devolution fund                                 | 1140000                | 3324000              |
| 7        | 13th FCA Grant                                  | 1389000                | 156000               |
| 8        | 14th FCA Graant                                 | 0                      | 1926000              |
| 9        | MV Tax Grant                                    | 422000                 | 469000               |
| 10       | MPLAD   | 3500000                | 0                    |
| 11       | MLALAD  | 0                      | 400000               |
| 12       | AWC Building                                    | 250000                 | 250000               |
| 13       | Swach Bharat Mission                            | 0                      | 1977355              |
| 14       | SJSRY   | 132888                 | 0                    |
| 15       | Octroi Grant on lieu of abolition of Octroi Tax | 10651000               | 10156000             |

|          |    |   |                  |                 |
|----------|----|---|------------------|-----------------|
|          | 16 | Solidwaste management (TFC) Grant         | 489083           | 0               |
|          | 17 | pension grant                             | 108000           | 100000          |
|          | 18 | Performance Based incentive               | 0                | 1206000         |
|          | 19 | dev of water bodies                       | 2000000          | 0               |
|          | 20 | Festival Grant                            | 50000            | 0               |
|          | 21 | Non residential building.                 | 500000           | 300000          |
|          | 22 | Special problem fund                      | 500000           | 450000          |
|          | 23 | Const of boundary wall                    | 1000000          | 0               |
|          | 24 | Construction of public toilet             | 1385100          | 0               |
|          | 24 | Odisha Urban Lively Hood Mission          | 0                | 706000          |
|          | 25 | Sitting allowance                         | 0                | 54000           |
|          |    | <b>Total</b>                              | <b>272234071</b> | <b>22794355</b> |
| <b>E</b> |    | <b>Miscellaneous:-</b>                    |                  |                 |
|          | 1  | Advertisement                             | 0                | 2000            |
|          | 2  | Election                                  | 27845            | 72050           |
|          | 3  | Marriage registration                     | 0                | 1000            |
|          | 4  | OAP/NOAP/ODP/MBPY                         | 4079800          | 3882100         |
|          | 5  | NFSA                                      | 0                | 19300           |
|          | 6  | Interest on SB Accounts                   | 937600           | 975137          |
|          | 7  | Audity recovery                           | 56653            | 0               |
|          | 8  | Harischandra Sahayata yojana              | 0                | 139000          |
|          | 9  | SECS                                      | 58000            | 0               |
|          | 10 | Hire charge of tracktor                   | 126852           | 38700           |
|          | 11 | Misc receipt                              | 61505            |                 |
|          | 12 | Tower                                     | 28000            | 5000            |
|          | 13 | EGB                                       | 99901            | 35649           |
|          | 14 | Hire charge of mixture machin             | 15700            | 0               |
|          | 15 | Others                                    | 9540             | 3080            |
|          | 16 | sale of news papeer                       | 259              | 301             |
|          | 17 | Overhead charges                          | 99604            | 263416          |
|          | 18 | OAP refund                                | 259200           | 224100          |
|          | 19 | Misc. Receipts                            | 47022            | 55000           |
|          |    | <b>Total</b>                              | <b>5907481</b>   | <b>5715833</b>  |
| <b>F</b> |    | <b>EXTRAORDINARY AND DEBT</b>             |                  |                 |
|          | 1  | Income Tax                                | 199289           | 54312           |
|          | 2  | Advance                                   | 3040400          | 224500          |
|          | 3  | SD/EMD                                    | 1079660          | 295251          |
|          | 4  | GIS                                       | 0                | 0               |
|          | 5  | VAT                                       | 817898           | 252958          |
|          | 6  | Royalty                                   | 541338           | 183593          |
|          | 7  | L.Cess                                    | 226303           | 96362           |
|          | 8  | GPF/CPF                                   | 234118           | 288990          |
|          | 9  | LIC                                       | 84576            | 96872           |
|          | 10 | Personal loan of staff                    | 108540           | 72700           |
|          | 11 | P.T                                       | 55825            | 23375           |
|          | 12 | Pension contribution & leave salary of EO | 0                | 34489           |
|          |    | <b>Total</b>                              | <b>6387947</b>   | <b>1623402</b>  |
|          |    | <b>ABSTRACT</b>                           |                  |                 |
| A        |    | RENT AND TAXES:-                          | 189212           | 284791          |
| B        |    | LICENCES AND OTHER FEES:-                 | 223493           | 138511          |
| C        |    | REVERNUD DERIVED FROM NAC PROPERTY        | 456747           | 211197          |
| D        |    | GOVT GRANT:-                              | 27281093         | 22794355        |
| E        |    | Miscellaneous:-                           | 5860459          | 5715833         |

|   |                            |                 |                    |
|---|----------------------------|-----------------|--------------------|
| F | EXTRAORDINARY AND DEBT     | 6387947         | 1623402            |
|   | <b>Grand Total receipt</b> | <b>40398951</b> | <b>30768089</b>    |
|   | <b>OB as on 1.4.2015</b>   |                 | <b>36339326.64</b> |
|   | <b>Grand total</b>         |                 | <b>67107415.64</b> |

**Details of Expenditure of Gudari NAC for the year . 2015-2016.**

| STATEMENT-C  |   |                 |                 |
|--|---|-----------------|-----------------|
| STATEMENT SHOWING THE DETAILS OF HEAD WISE EXPENDITURE OF GUDURI NAC FOR 2015-2016 |   |                 |                 |
| SL No  | Head of accounts                              | for 2014-15     | For 2015-16     |
| <b>A</b>   | <b>GENERAL &amp; OTHER ESTABLISHMENT:-</b>    |                 |                 |
| 1  | Salary of office Establishment                | 3614311         | 4023916         |
| 2  | Revised salary of staff                       | 2648486         | 1181669         |
| 3  | TA of Staff                                   | 134465          | 55292           |
| 4  | Family pension                                | 510432          | 316419          |
| 5  | Hon & sitting allowance of CM/VCM/Councillers | 37108           | 0               |
| 6  | provisional pension                           | 0               | 0               |
| 7  | pension                                       | 279894          | 1087294         |
| 8  | Gratuity                                      | 0               | 50000           |
| 9  | Salary of sanitation staff                    | 414508          | 506607          |
| 10   | Contractual salary                            | 0               | 15600           |
| 11   | Salary of C.O                                 | 0               | 0               |
| 12   | DLR wages                                     | 428717          | 416000          |
| 13   | Outsource engagement                          | 0               | 0               |
| 14   | Salary of BRGF JE                             | 62400           | 0               |
|  | <b>Total</b>                                  | <b>8130321</b>  | <b>7652797</b>  |
| <b>B</b>   | <b>PUBLIC WORKS</b>                           |                 |                 |
| 1  | Road maintenance                              | 201634          | 0               |
| 2  | Road Development                              | 2143795         | 0               |
| 3  | BRGF  | 2340576         | 1391016         |
| 4  | Proformabase incentive                        | 0               | 669862          |
| 5  | Own fund                                      | 68361           | 436613          |
| 6  | BKBK  | 0               | 0               |
| 7  | Drain cleaning                                | 344810          | 131300          |
| 8  | C.C.Road                                      | 2108120         | 0               |
| 9  | Companisation Grant in lief of Octroi         | 0               | 0               |
| 10   | Maintenance of road & bridges                 | 7700817         | 2182753         |
| 11   | MPLAD   | 0               | 2854078         |
| 12   | MLALAD  | 238051          | 300000          |
| 13   | 13th FCA Grant                                | 2492492         | 695720          |
| 14   | M.V Tax Grant                                 | 0               | 404922          |
| 15   | AWC Building                                  | 0               | 0               |
| 16   | Non resdincial Building                       | 1467732         | 448098          |
| 17   | Devulation fund                               | 202982          | 531425          |
| 18   | Devulatoryion fund (Kalyanmandap)             | 3167482         | 0               |
| 19   | Special problem fund                          | 498469          | 33068           |
| 20   | Odisha Urban Lively Hood Mission              | 0               | 317500          |
| 21   | Swach Bharat Mission                          | 0               | 355000          |
|  | <b>Total</b>                                  | <b>22975321</b> | <b>10751355</b> |
| <b>C</b>   | <b>PUBLIC SAFTY</b>                           |                 |                 |



|          |   |                   |                   |
|----------|---|-------------------|-------------------|
| 1        | Purchase of Highmast light                | 0                 | 0                 |
| 2        | Purchase of electrical Materials          | 255271            | 712800            |
| 3        | Energy charges of street light            | 417175            | 421522            |
|          | <b>Total</b>                              | <b>672446</b>     | <b>1134322</b>    |
| <b>D</b> | <b>PUBLIC HEALTH:-</b>                    |                   |                   |
| 1        | Sanitatioin materials                     | 11510             | 51710             |
| 2        | Maintenance of vehicles                   | 31801             | 929100            |
| 3        | Maintenance of Cess poll                  | 0                 | 0                 |
| 4        | water supply charges                      | 276886            | 276765            |
| 5        | Sanitation equipment                      | 19205             | 72010             |
| 8        | Diesel/Petrol                             | 47814             | 45253             |
| 9        | Repair of water tanker                    | 0                 | 0                 |
|          | <b>Total</b>                              | <b>387216</b>     | <b>1374838</b>    |
| <b>E</b> | <b>MISCELLANEOUS</b>                      |                   |                   |
| 1        | NFSA                                      | 0                 | 8800              |
| 2        | OAP/ODP/NOAP/MBPY                         | 0                 | 3810700           |
| 3        | Bank commission                           | 2850400           | 798.34            |
| 4        | Mixture machine repair                    | 4052.64           | 0                 |
| 5        | Election                                  | 87242             | 37650             |
| 6        | SJSRY Loan subsidy                        | 22500             |                   |
| 7        | SJSRY wall painting                       | 5000              | 0                 |
| 8        | Awarteness camp under SJSRY               | 5000              | 0                 |
| 9        | NFBS                                      | 190000            | 20000             |
| 10       | Traning programme                         | 173975            | 0                 |
|          | <b>Total</b>                              | <b>3338169.64</b> | <b>3877948.34</b> |
| <b>F</b> | <b>EXTRAORDINARY AND DEBT</b>             |                   |                   |
| 1        | Advance                                   | 3090200           | 191600            |
| 2        | GIS                                       | 47730             | 0                 |
| 3        | Income tax                                | 212790            | 101625            |
| 4        | Sale tax                                  | 779941            | 378316            |
| 5        | Royalty                                   | 521089            | 184562            |
| 6        | CPF/GPF                                   | 234118            | 288990            |
| 7        | LIC                                       | 84576             | 96872             |
| 8        | S.D/EMD                                   | 175098            | 22900             |
| 9        | Bank loan                                 | 108540            | 72700             |
| 10       | Labour Cess                               | 0                 | 0                 |
| 11       | P.T Deposit                               | 55825             | 23375             |
| 12       | F.A                                       | 70000             | 0                 |
|          | Pension contribution & leave salary of EO | 0                 | 34489             |
|          | <b>Total</b>                              | <b>5379907</b>    | <b>1395429</b>    |
| <b>G</b> | <b>Own source Expenditure</b>             |                   |                   |
| 1        | Rem to advocate                           | 3232              | 19710             |
| 2        | Purchase of boat                          | 80000             | 85000             |
| 3        | Road Tax                                  | 37530             | 5130              |
| 4        | Census                                    | 13000             | 0                 |
| 5        | Postage stamp                             | 2000              | 4000              |
| 6        | Jalachhatra                               | 26250             | 16000             |
| 7        | printing expenditure                      | 2760              | 9978              |
| 8        | Brod band                                 | 2577              | 15213             |
| 9        | Harish chandra Sahayata                   | 81000             | 23000             |
| 10       | computer spare parts                      | 13660             | 11999             |
| 11       | Advertisement                             | 37167             | 19089             |
| 12       | Office Contigent                          | 31390             | 16661             |
| 13       | Misc expenditure                          | 25147             | 34089             |

|                 |  |                    |                    |
|-----------------|--|--------------------|--------------------|
| 14              | News paper                               | 8907               | 5541               |
| 15              | Purchase of printer                      | 0                  | 14200              |
| 16              | Boat Insurance                           | 0                  | 6290               |
| 17              | Selebration of National days             | 11088              | 68033              |
|                 | <b>Total</b>                             | <b>375708</b>      | <b>353933</b>      |
| <b>ABSTRACT</b> |  |                    |                    |
| A               | GENERAL & OTHER ESTABLISHMENT            | 8130321            | 7652797            |
| B               | PUBLIC WORKS                             | 22975321           | 10751355           |
| C               | PUBLIC SEFTY                             | 672446             | 1134322            |
| D               | PUBLIC HEALTH                            | 387216             | 1374838            |
| E               | MISCELLNEOUS                             | 3338169.64         | 3877948.34         |
| F               | EXTRAORDINARY AND DEBT                   | 5379907            | 1395429            |
| G               | Own source Expenditure                   | 375708             | 353933             |
|                 | <b>GRAND TOTAL EXPENDITURE</b>           | <b>41259088.64</b> | <b>26540622.34</b> |
|                 | <b>Add closing balance as on 31.3.16</b> |                    | <b>40566793.3</b>  |
|                 | <b>GRAND TOTAL</b>                       |                    | <b>67107415.64</b> |

**ANNUAL BUDGET POM No .03.2017**

The annual budget for the year 2015-16 was approved by the council in the general body meeting held on 28.02.15. The budget was submitted to the P.D,D.R.D.A, Rayagada vide letter No- 822 /30.05.2015 & sent to the Govt.in H &U.D.Deptt. vide letter No-2040 Dt. 10.06.2015 . The Budget of Gudari NAC for the year ,2015-16 has been approved by Govt, in H & U Department vide Letter No-16446/ HUD/ Dt.30.06.2015 . As per budget the probable receipt position is Rs 81717100.00 and the probable expenditure position is Rs 81048700.00. On the other hand the actual receipt position of Gudari NAC is Rs.30768089.00 and the actual expenditure position is Rs.26540622.34 . The actual receipt for 2015-16 is 37.65 % of the budgetary receipt made & the actual expenditure is 32.75 % of the budgetary expenditure . It would be revealed that the figures of the budget estimates were actually not determined basing upon the actual amount of receipts and expenditure incorporated in the Annual accounts of preceding year.In other words the budget is not a realistic budget .As budget is considered as an instrument of efficient fiscal management, budgeting thus disciplines and streamlines administration and goes hand in hand with programme planning. Hence sincere efforts should be taken by the authorities of the Gudari NAC to prepare a more realistic budget for the forth coming year in order to achieve better result.

However , the abstract position of head wise budget for the year ,2015-16 is furnished below .

| SI No | Heads of receipt  | Amount          | SI No | Heads of expenditure                            | Amount          |
|-------|---|-----------------|-------|---|-----------------|
| I     | Rates & taxes   | 7010000         | I     | A- General Admissitration & collection charges. | 1591200         |
|       |   |                 |       | B- General Administration                       | 2312500         |
|       |   |                 |       | C- Collection charges                           | 2500000         |
| II    | Licence & others fees   | 335100          | II    | Public safety                                   | 2500000         |
| III   | Receipt Under special Act                                     | 180000          | III   | Public Health                                   | 4355000         |
| IV    | Revenue derived from Municipal Properties apart from taxation | 2484000         | IV    | Medical   | 20000           |
| V     | Govt Grant & contribution                                     |                 | V     | Public conveyance                               | 5785000         |
|       | A- From Govt.   | 48705000        |       |   |                 |
|       | B - From other Deptt  | 16730000        |       |   |                 |
| VI    | Miscellaneous   | 3923000         | VI    | Public works                                    | 60750000        |
| VII   | Extraordinary Debt.   | 2350000         | VII   | Public instructions                             | 15000           |
|       |   |                 | VIII  | Miscellaneous                                   | 1620000         |
|       |   |                 | IX    | Extra ordinary & Debt                           | 2100000         |
|       | <b>Total</b>  | <b>81717100</b> |       | <b>Total</b>                                    | <b>81048700</b> |

**ASSETS AND LIABILITY :-**

The Assets and Liabilities position of Gudari NAC for the year, 2015-16 is furnished below .

**ASSETS:-**

|   |  |                    |
|---|--|--------------------|
| 1 | Cash balance available in PA cash book as on 31.3.16               | 2000.00            |
| 2 | Balance in PL A/C as on 31.3.16                                    | 9079580.62         |
| 3 | Balance in Bank A/C as on 31.3.16                                  | 31487212.68        |
| 4 | Advance recoverable  | 500629.00          |
| 5 | Outstanding taxes and rents as per statement of A.R. Rs. 528336.00 | 475502.00          |
|   | Deduct 10% non- Recoverable Rs. 52834.00                           |                    |
|   | Total Rs. 475502.00  |                    |
| 6 | Loan bond recoverable.   | 0.00               |
|   | <b>TOTAL</b>   | <b>41544924.30</b> |

**LIABILITIES:-**

|   |  |                    |
|---|--|--------------------|
| 1 | Unspent balance of Govt. grants as on 31.3.16 as per Grant Statement | 28537967.00        |
| 2 | Deposit refundable as per para- 19-2 of the A.R.                     | 1177102.00         |
| 3 | Govt dues (Royalty, VAT , CESS, I.T & P.T )                          | 765834.00          |
| 4 | Pay and allowances payable for 3/2016                                | 457674.00          |
| 5 | Street light & office electric charges to be paid                    | 339171.00          |
| 6 | Arr Salary payable   | 850000.00          |
|   | <b>TOTAL</b>   | <b>32127748.00</b> |
|   | Excess assets over liabilities                                       | 9417176.30         |

It is seen that the assets of the NAC exceeds than the liabilities of Rs.9417176.30 .

**Sinking Fund :-**

Odisha Municipal Accounting Manual provides for creation of a sinking fund for the repayment of a liability or for the replacement of an asset. However, the Municipality has not earmarked any sinking fund for the purpose . Hence , E.O , Gudari is requested to take effective steps for creation of sinking fund in coming financial year and compliance be reported to audit

In the exit conference the detail discussion was made about maintenance of Abstract Receipt and Expenditure Register , preparation of Budget , creation of Sinking fund etc. E.O agreed with the discussion and stated that Abstract Receipt and Expenditure Register will be maintained properly , Budget will be prepared in realistic manner and sinking fund will be created .

Hence , E.O is advised to maintain the Abstract Receipt and Expenditure Register properly , prepare Budget in realistic manner and create sinking fund and compliance be reported to audit .

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

Gudari NAC - 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    | Axis Bank, Gunpur  | 10038706257 | 31-03-2016                              | 7613319.69                               | 31-03-2016  | 7428757.69  | 184562.00               |                     |
| 2    | Axis Bank, Gunpur  | 10014231986 | 31-03-2016                              | 3566616.00                               | 31-03-2016  | 3566616.00  | 0.00                    |                     |
| 3    | SBI, Gudari        | 01000024429 | 31-03-2016                              | 291104.00                                | 31-03-2016  | 291104.00   | 0.00                    | OULM                |
| 4    | Axis Bank, Gunpur  | 10032585214 | 31-03-2016                              | 1587116.00                               | 31-03-2016  | 1587116.00  | 0.00                    | SBM                 |
| 5    | IOB, Padmapur      | 01000011816 | 31-03-2016                              | 1511421.00                               | 31-03-2016  | 1511421.00  | 0.00                    | RD                  |
| 6    | IOB, Padmapur      | 02000001035 | 31-03-2016                              | 2033557.00                               | 31-03-2016  | 1623764.00  | 409793.00               | Main                |
| 7    | PL Account         | 0           | 31-03-2016                              | 9079580.62                               | 31-03-2016  | 9079580.62  | 0.00                    | PL Account          |
| 8    | SBI, Gudari        | 11729477804 | 31-03-2016                              | 11828.82                                 | 31-03-2016  | 11828.82  | 0.00                    | 12th FCA            |
| 9    | SBI, Gudari        | 31443065747 | 31-03-2016                              | 3359535.00                               | 31-03-2016  | 3359535.00  | 0.00                    | 13th FCA            |
| 10   | SBI, Gudari        | 11729478469 | 31-03-2016                              | 2823711.00                               | 31-03-2016  | 2823711.00  | 0.00                    | BRGF                |
| 11   | SBI, Gudari        | 11729478150 | 31-03-2016                              | 18635.52                                 | 31-03-2016  | 18635.52  | 0.00                    | CRF-I               |
| 12   | SBI, Gudari        | 11729478116 | 31-03-2016                              | 1356.18                                  | 31-03-2016  | 1356.18   | 0.00                    | CRF-II              |
| 13   | SBI, Gudari        | 11729473140 | 31-03-2016                              | 3203512.04                               | 31-03-2016  | 3203512.04  | 0.00                    | DSWO                |
| 14   | SBI, Gudari        | 35061660281 | 31-03-2016                              | 116263.00                                | 31-03-2016  | 116263.00   | 0.00                    | Harish ch. Sahayata |
| 15   | SBI, Gudari        | 30725089880 | 31-03-2016                              | 2919.00                                  | 31-03-2016  | 2919.00   | 0.00                    | LFS Pension         |
| 16   | SBI, Gudari        | 11729473151 | 31-03-2016                              | 75928.65                                 | 31-03-2016  | 75928.65  | 0.00                    | MLALAD              |
| 17   | SBI, Gudari        | 32504899064 | 31-03-2016                              | 784368.00                                | 31-03-2016  | 784368.00   | 0.00                    | MPLAD               |
| 18   | SBI, Gudari        | 35168795382 | 31-03-2016                              | 472102.00                                | 31-03-2016  | 472102.00   | 0.00                    | MVT                 |
| 19   | SBI, Gudari        | 11729473139 | 31-03-2016                              | 2030.09                                  | 31-03-2016  | 2030.09   | 0.00                    | NON-LFS             |
| 20   | SBI, Gudari        | 11729473128 | 31-03-2016                              | 415399.69                                | 31-03-2016  | 429964.69   | -14565.00               | Own Account         |
| 21   | SBI, Gudari        | 30470549030 | 31-03-2016                              | 4170868.00                               | 31-03-2016  | 4170868.00  | 0.00                    | RD                  |
| 22   | SBI, Gudari        | 11729478149 | 31-03-2016                              | 3159.00                                  | 31-03-2016  | 3159.00   | 0.00                    | RTI                 |
| 23   | SBI, Gudari        | 33914266119 | 31-03-2016                              | 21652.00                                 | 31-03-2016  | 2253.00   | 19399.00                | SECC                |
| 24   | SBI, Gudari        | 11729473162 | 31-03-2016                              | 0.00                                     | 31-03-2016  | 0.00  | 0.00                    | SJSRY-I             |
| 25   | SBI, Gudari        | 30662519269 | 31-03-2016                              | 0.00                                     | 31-03-2016  | 0.00  | 0.00                    | SJSRY-II            |
|      | <b>GRAND TOTAL</b> |             |   | <b>41165982.30</b>                       |   | <b>40566793.30</b>  | <b>599189.00</b>        |                     |

**Reconciliation**

**Bank reconciliation:-**

Reconciliation of cash book balance with pass book balance as on 31.3.16 and the details of the same is furnished below.

1) Axis bank, Gunpur A/C No- 9130710038706257.

|   |  |               |
|---|--|---------------|
| A | As per cash book as on 31.3.2016               | 7428757.69    |
| B | Add cheque issued but encashed after 31.3.2016 | (+) 184562.00 |
|   | Cheque No/ dt. encashed on                     |               |
|   | 69405 07.04.2016                               |               |
| C | As per Pass book as on 31.3.2016               | 7613319.69    |

2) IOB Padmapur A/C No- 048302000001035.(Main A/C)

|   |  |               |
|---|--|---------------|
| A | As per cash book as on 31.3.2016               | 1623764.00    |
| B | Add cheque issued but encashed after 31.3.2016 | (+) 409793.00 |



Name of the scheme / No of accounts maintained

CRF----02

DSWO--02

TFCA-----02

ROAD DEV--02

OWN FUND-02

In the exit conference E.O stated that Bank A/C reconciliation will be made regularly and necessary steps will be taken for opening of Flexi A/C with maintaining single A/C for each scheme .

However , E.O is advised to open Flexi A/c by 31.03.2017 and compliance be reported to audit .

**PARA: 6 STOCK POSITION**

Gudari NAC - 2015-2016

| S/no | Material/ Item     | Opening Balance | Receipt | Issued | Closing Balance As per Audit | As per stock register | Remarks |
|------|--------------------|-----------------|---------|--------|------------------------------|-----------------------|---------|
| 1    | Tractor            | 2               | 0       | 0      | 2.00                         | 2                     | SRP-16  |
| 2    | Water tanker       | 1               | 0       | 0      | 1.00                         | 1                     | SRP-126 |
| 3    | Cess pool Machin   | 1               | 0       | 0      | 1.00                         | 1                     | SRP-38  |
| 4    | Mixture Machin     | 1               | 0       | 0      | 1.00                         | 1                     | SRP-86  |
| 5    | Computer           | 4               | 0       | 0      | 4.00                         | 4                     | SRP-17  |
| 6    | Printer            | 2               | 0       | 0      | 2.00                         | 2                     | SRP-96  |
| 7    | Scaner-cum-Printer | 2               | 1       | 0      | 3.00                         | 3                     | SRP-96  |
| 8    | Kent Purifier      | 1               | 0       | 0      | 1.00                         | 1                     | SRP-156 |
| 9    | Kent Purifier      | 1               | 0       | 0      | 1.00                         | 1                     | SRP-156 |

**Comments**

**CONDUCTING OF PHYSICAL VERIFICATION OF STOCK :-**

It is revealed from the Stock registers that Physical verification of Stock and store has been conducted on 31.12.2016. But, as per Rule 97(7)(a) of odisha Municipal Rules., physical verification of stock and store should be conducted twice in a year. Hence, The E.O, Gudari Municipality is requested to do the needful and compliance be reported to audit.

**Non-maintenance of Dead/Permanent 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 of items received, the number of items disposed of (by transfer, sale, loss, etc.) and the balance in hand for each kind of article. Further, As per Rule 97(3) (e) of Odisha Municipal (Accounts) Rules, period end procedure should be followed for compilation of details of closing stock for recording the consumption of stores at the end of each month as in Form ST. While doing so obsolete, unserviceable and defective inventory may be indicated in the statement of closing stock. It came to the notice of audit that the auditee Institution has not maintained Stock Register for dead/permanent stock of the institution. The reason for lapse in maintenance of stock register could not be furnished to audit; instead stock position of computers and accessories in the Municipality was furnished. It is now suggested that the same may be maintained and compliance may please be reported to audit

In the exit conference , E.O stated that the physical verification of stock will be conducted twice in a year hence forth and Permanent stock Register will be maintained during the year, 2017-18 .

Hence , E.O is advised to maintain Permanent stock Register by May ,2017 and compliance to be reported to audit .

**PARA: 7 INVESTMENT**

Gudari NAC - 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                                       | 0.00                    | 0.00  | 0.00          | 0.00  | 31-03-2016                                | 0.00                          | 31-03-2016  | 0.00                                      | 0.00               |         |
|     | <b>GRAND TOTAL</b>                               | <b>0.00</b>             | <b>0.00</b>   | <b>0.00</b>   | <b>0.00</b>   |   | <b>0.00</b>                   |   | <b>0.00</b>                               | <b>0.00</b>        |         |

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

There is no investment in Gudari NAC as on 31.3.2016.



PARA: 8 **ADVANCE**

Gudari NAC - 2015-2016

| S/no | Advance Outstanding as on (DD MM YYYY) | Cashbook Name        | Advance Outstanding (In Rs:) | Advance Paid during the Year under Audit(In Rs:) | Total(In Rs:)    | Advance adjusted during the Year under Audit(In Rs:) | Advance Outstanding as per (DD MM YYYY) Audit | Advance Outstanding Audit (In Rs:) | Advance Outstanding as per (DD MM YYYY) Cash Book | Advance Outstanding Cash Book(In Rs:) | Difference (In Rs:) | Remarks |
|------|--|----------------------|------------------------------|--|------------------|--|---|------------------------------------|---|---------------------------------------|---------------------|---------|
| 1    | 01-04-2015                             | Accountant Cash Book | 533529.00                    | 191600.00  | 725129.00        | 224500.00  | 31-03-2016                                    | 500629.00                          | 31-03-2016  | 500629.00                             | 0.00                |         |
|      | <b>GRAND TOTAL</b>                     |                      | <b>533529.00</b>             | <b>191600.00</b>                                 | <b>725129.00</b> | <b>224500.00</b>                                     |   | <b>500629.00</b>                   |   | <b>500629.00</b>                      | <b>0.00</b>         |         |

**Comments :**

The details of out standing advance for the year 2015-2016 is furnished below

| SI No. | Name of the Holder            | Purpose of Advance      | VR. & Date   | Amount | Remark |
|--------|-------------------------------|-------------------------|--------------|--------|--------|
| 1      | L . Bairagi ( Contractor)     | Devlpment Work          | 141/24.08.96 | 7000   |        |
| 2      | L . Bairagi ( Contractor)     | Devlpment Work          | 216/18.10.96 | 3000   |        |
| 3      | L . Bairagi ( Contractor)     | Devlpment Work          | 182/07.10.97 | 15000  |        |
| 4      | L Bairagi ( Contractor)       | Devlpment Work          | 262/17.12.97 | 15000  |        |
| 5      | J. Pattnaik (EX-JE)           | Devlpment Work          | 161/12.09.96 | 10000  |        |
| 6      | J. Pattnaik (EX-JE)           | Devlpment Work          | 208/16.10.96 | 10000  |        |
| 7      | J. Pattnaik (EX-JE)           | Devlpment Work          | 222/18.10.96 | 3000   |        |
| 8      | J. Pattnaik (EX-JE)           | Devlpment Work          | 261/31.12.96 | 5000   |        |
| 9      | L Manmath ( Contractor)       | Devlpment Work          | 176/28.05.96 | 5000   |        |
| 10     | L Manmath ( Contractor)       | Devlpment Work          | 240/21.11.96 | 5000   |        |
| 11     | P. Mohan Rao (Contractor)     | Devlpment Work          | 219/13.10.96 | 5000   |        |
| 12     | K.C Senapati                  | Devlpment Work          | 203/16.10.96 | 1000   |        |
| 13     | K.C Senapati                  | Devlpment Work          | 262/31.12.96 | 1000   |        |
| 20     | M.K Panigrahi (Contractor)    | Devlpment Work          | 65/20.05.03  | 20000  |        |
| 21     | M.K Panigrahi (Contractor)    | Devlpment Work          | 301/12.01.04 | 15000  |        |
| 22     | P. Ramesh (Contractor)        | Devlpment Work          | 316/07.03.98 | 3000   |        |
| 23     | P. Ramesh (Contractor)        | Devlpment Work          | 247/22.02.01 | 15000  |        |
| 24     | Trilochan Patra ( EX-JE)      | Devlpment Work          | 53/30.05.00  | 16300  |        |
| 25     | Principal Science College     | Const. of College Libra | 217/18.03.00 | 100000 |        |
| 26     | Principal Science College     | Const. of College Libra | 116/26.07.01 | 20000  |        |
| 27     | Principal Science College     | Const. of College Libra | 94/15.07.02  | 17712  |        |
| 28     | J. Mallik (Ex-SI)             | Repair of Wheel Barrow  | 48/20.05.00  | 400    |        |
| 29     | P. K Mishra (Peon)            | Repair of Tractor       | 115/02.08.00 | 2055   |        |
| 30     | P.L Nayak (Ex EO)Court Matter | Court Matter            | 201/01.12.00 | 1000   |        |
| 31     | S.B Panda ( Ex-EO)            | TA Adv                  | 240/11.02.01 | 2604   |        |

|              |                                  |                       |              |               |
|--------------|----------------------------------|-----------------------|--------------|---------------|
| 32           | S.B Panda ( Ex-EO)               | TA Adv                | 282/24.03.01 | 5000          |
| 33           | S.B Panda ( Ex-EO)               | Court Matter          | 05/30.04.01  | 1000          |
| 34           | S.B Panda ( Ex-EO)               | Court Matter          | 50/26.06.01  | 2000          |
| 35           | S.B Panda ( Ex-EO)               | TTA                   | 93/17.07.01  | 5600          |
| 36           | Dayanidhy Gouda ( LM)            | T.A Adv               | 251/09.03.01 | 1000          |
| 37           | Dayanidhy Gouda ( LM)            | T.A Adv               | 259/24.10.03 | 458           |
| 38           | Dayanidhy Gouda ( LM)            | T.A Adv               | 343/19.12.07 | 3000          |
| 39           | Ch Mohan Rao (Contractor)        | Const of Statue       | 162/30.10.01 | 5000          |
| 40           | S.C Panigrahi ( Advocate)        | Court Matter          | 143/04.09.10 | 2000          |
| 41           | Chaitany Pattnaik, Ex SA         | Office Building       | 02/08.04.05  | 10000         |
| 42           | Chaitany Pattnaik, Ex SA         | NCPL Dress            | 03/12.04.05  | 10000         |
| 43           | Chaitany Pattnaik, Ex SA         | TA Adv                | 77/22.08.05  | 5000          |
| 44           | Chaitany Pattnaik, Ex SA         | TA Adv                | 203/16.10.06 | 6000          |
| 45           | Dillip Kumar Sethy (Ex- Chair P) | TA Adv                | 277/01.11.03 | 2000          |
| 46           | Dillip Kumar Sethy (Ex- Chair P) | TA Adv                | 342/19.12.03 | 1500          |
| 47           | Dillip Kumar Sethy (Ex- Chair P) | TA Adv                | 215/06.01.04 | 1500          |
| 48           | Rajeswar Padhi ( Ex-EO)          | TA Adv                | 121/23.07.04 | 1000          |
| 49           | Rajeswar Padhi ( Ex-EO)          | TA Adv                | 135/05.08.04 | 1000          |
| 50           | Jagdish Ch. Panda ( Ex Eo)       | Pay Adv               | 158/13.08.04 | 15000         |
| 51           | Jagdish Ch. Panda ( Ex Eo)       | Pay Adv               | 191/10.09.04 | 12900         |
| 52           | Bansidhar Sethy (Ex-JE)          | Purchase of GCI Sheet | 347/24.02.07 | 80000         |
| 53           | B.C. Nanda (OTC)                 | TA Adv                | 345/02.03.07 | 1000          |
| 54           | Girish ch.Mishra,JE              |                       | 379/4.3.16   | 30600         |
| <b>Total</b> |                                  |                       |              | <b>500629</b> |

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

The year wise break up of outstanding advance for the NAC is furnished below.

| Year              | Amount    |
|-------------------|-----------|
| 1996-97           | 55000.00  |
| 97-98             | 33000.00  |
| 98-99             | 0.00      |
| 99-2000           | 100000.00 |
| 2000-01           | 43359.00  |
| 2001-02           | 33600.00  |
| 2002-03           | 17712.00  |
| 2003-04           | 38958.00  |
| 2004-05           | 31400.00  |
| 2005-06           | 25000.00  |
| 2006-07           | 87000.00  |
| 2007-08           | 3000.00   |
| 2008-09 & 2009-10 | 0.00      |
| 2010-11           | 2000.00   |
| 2011-12           | 0.00      |
| 2012-13           | 0.00      |
| 2013-14           | 0.00      |
| 2014-15           | 0.00      |
| 2015-16           | 30600     |

|       |           |
|-------|-----------|
| Total | 500629.00 |
|-------|-----------|

**OUTSTANDING ADVANCE :-**

From the above , year wise break-up of outstanding advance as on 31.03.2016, it was seen that no amount relating to the year 2014-15 was remained un-adjustment for more than one year for this audit which was treated as a financial irregularity on the part of respective recommending and sanctioning Authorities . As per G.O No.XIV-AUD-2221/08.03.2002 and circular No-15179 /DLFA dt.28.09.2013 no amount is surchargeable for present audit . But total Rs.500629.00 is outstanding for adjustment as on 31.03.2016.

**UNSECURED ADVANCE :-**

There is no unsecured advance as noticed from the year wise break up of outstanding advance position with reference to G.O No-2221 Dt 08.03.2002 followed with L.No-15179 Dt. 28.03.2013 .

**UNCLASSIFIED ADVANCE :-**

There is no unclassified advance of this NAC as noticed from the outstanding advance statement as furnished above .

In the exit conference , E.O stated that necessary correspondence will be made against the advance holder by issue of show cause notice for adjustment of old outstanding advance .

Hence , E.O is advised take effective steps for adjustment of old outstanding advances and compliance be reported to audit .

**PARA: 9 GRANTS**

Gudari NAC - 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                            | 26214363.00                 | 22794355.00   | 49008718.00        | 20470751.00                                      | 31-03-2016                        | 28537967.00             |         |
|      | <b>GRAND TOTAL</b>                    | <b>26214363.00</b>          | <b>22794355.00</b>                                  | <b>49008718.00</b> | <b>20470751.00</b>                               |                                   | <b>28537967.00</b>      |         |

**Comments :**

It would be seen from the Grant position of the report that there is unutilized balance of Govt grant of Rs.28537967.00 as on 31.3.2016 which may be utilized early for the same to Govt. through concerned sanctioning authority if not necessary in near future. The details of the Grants receipt and expenditure for the year ,2015-16 is furnished below .

| Grant statement Gudari NAC for 2015-2016. |                                       |                    |                 |                       |                 |                          |                  |
|---|---------------------------------------|--------------------|-----------------|-----------------------|-----------------|--------------------------|------------------|
| SI No                                     | Head of Account                       | GO NO & Date       | OB as on 1.4.15 | Received during 15-16 | Total           | Expenditure during 15-16 | CB as on 31.3.16 |
| 1   | MV tax Road Maintenance               | 20029/HUD/7.8.15   | 0               | 232000                |                 |                          |                  |
|   |                                       | 5203/HUD/25.2.16   | 0               | 237000                |                 |                          |                  |
|   |                                       | <b>Sub Total</b>   | <b>220366</b>   | <b>469000</b>         | <b>689366</b>   | <b>404922</b>            | <b>284444</b>    |
| 2   | Road maintenance HC                   |                    | 69905           | 0                     | 69905           | 0                        | 69905            |
| 3   | Companisation Grant in lieu of Octroi | 13332/HUD/25.5.16  |                 | 1177000               |                 |                          |                  |
|   |                                       | 19055/HUD/30.7.15  |                 | 1138000               |                 |                          |                  |
|   |                                       | 26696/hud/9.10.15  |                 | 1158000               |                 |                          |                  |
|   |                                       | 27359/hud/17.10.15 |                 | 59000                 |                 |                          |                  |
|   |                                       | 4342/HUD/20.2.16   |                 | 5682000               |                 |                          |                  |
|   |                                       | 5260/hud/25.2.16   |                 | 942000                |                 |                          |                  |
|   |                                       | <b>Sub Total</b>   | <b>0</b>        | <b>10156000</b>       | <b>10156000</b> | <b>10156000</b>          | <b>0</b>         |
| 4   | Devolution fund                       | 20045/HUD/7.8.15   |                 | 954000                |                 |                          |                  |
|   |                                       | 5275/HUD/25.2.16   |                 | 953000                |                 |                          |                  |
|   |                                       | 5230/HUD/25.2.16   |                 | 960000                |                 |                          |                  |
|   |                                       | 5234//HUD/25.2.16  |                 | 457000                |                 |                          |                  |
|   |                                       | <b>Sub Total</b>   | <b>60608</b>    | <b>3324000</b>        | <b>3384608</b>  | <b>531425</b>            | <b>2853183</b>   |
| 5   | Road Development Grant                | 17356/HUD/9.7.15   |                 | 42000                 |                 |                          |                  |
|   |                                       | 17353/HUD/9.7.15   |                 | 158000                |                 |                          |                  |
|   |                                       | 17359/HUD/9.7.15   |                 | 57000                 |                 |                          |                  |
|   |                                       | 2093/HUD/25.1.16   |                 | 60000                 |                 |                          |                  |
|   |                                       | 2096/HUD/25.1.16   |                 | 165000                |                 |                          |                  |
|   |                                       | 2090/HUD/25.1.16   |                 | 44000                 |                 |                          |                  |
|   |                                       | <b>Sub Total</b>   | <b>1401892</b>  | <b>526000</b>         | <b>1927892</b>  | <b>0</b>                 | <b>1927892</b>   |

|    |  |                    |                 |                 |                 |                 |                 |
|----|--|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 6  | Const of C.C Road                                |                    | 27880           | 0               | 27880           | 0               | 27880           |
| 7  | 12th FCA Grant                                   |                    | 1688644         | 0               | 1688644         | 0               | 1688644         |
| 8  | 14 th FCA  | 19466/HUD/3.8.15   | 0               | 981000          |                 |                 |                 |
|    |  | 32245/HUD/16.12.15 |                 | 945000          |                 |                 |                 |
|    | <b>Sub Total</b>                                 |                    | <b>0</b>        | <b>1926000</b>  | <b>1926000</b>  | <b>0</b>        | <b>1926000</b>  |
| 9  | Const of public toilet                           |                    | 1985100         | 0               | 1985100         | 0               | 1985100         |
| 10 | Const of common work shop                        |                    | 65403           | 0               | 65403           | 0               | 65403           |
| 11 | MLALAD   |                    | 190371          | 400000          | 590371          | 300000          | 290371          |
| 11 | MPLAD  |                    | 3522524         | 0               | 3522524         | 2854087         | 668437          |
| 12 | BRGF   |                    | 4908284         | 0               | 4908284         | 1391016         | 3517268         |
| 13 | 13th FCA Grant                                   | 9812/HUD/2.4.15    | 1729910         | 156000          | 1885910         | 695720          | 1190190         |
| 14 | SJSRY  |                    | 682969          | 0               | 682969          | 0               | 682969          |
| 15 | BK BK  |                    | 277897          | 0               | 277897          | 0               | 277897          |
| 16 | Non residential Building                         | 4127/HUD/18.5.16   | 1232268         | 300000          | 1532268         | 448098          | 1084170         |
| 17 | pension Grant                                    |                    | 12227           | 100000          | 112227          | 0               | 112227          |
| 18 | Proformabase incentive                           | 29463/HUD/16.11.15 | 0               | 1206000         | 1206000         | 669862          | 536138          |
| 19 | Road & bridges                                   | 31853/HUD/11.12.15 | 2861183         | 794000          | 3655183         | 2182753         | 1472430         |
| 20 | Festivl Grant                                    |                    | 50000           | 0               | 50000           | 0               | 50000           |
| 21 | Kalyanmandap                                     |                    | 1672518         | 0               | 1672518         | 0               | 1672518         |
| 22 | AWC building                                     |                    | 251614          | 250000          | 501614          | 0               | 501614          |
| 23 | Manual Scavenger                                 |                    | 6000            | 0               | 6000            | 0               | 6000            |
| 24 | Solid waste management                           |                    | 295269          | 0               | 295269          | 131300          | 163969          |
| 25 | Special problem fund                             | 9812/HUD/2.4.15    | 1531            | 450000          | 451531          | 33068           | 418463          |
| 26 | Protection of Govt land & Const of boundary wall |                    | 1000000         | 0               | 1000000         | 0               | 1000000         |
| 27 | Protection & construction of water bodies        |                    | 2000000         | 0               | 2000000         | 0               | 2000000         |
| 28 | Swachha Bharat Mission                           | 1986/HUD/7.8.15    |                 | 1121225         |                 |                 |                 |
|    |  | 26559/hud/8.10.15  |                 | 279500          |                 |                 |                 |
|    |  | 32462/HUD/18.12.15 |                 | 576630          |                 |                 |                 |
|    | <b>Sub Total</b>                                 |                    | <b>0</b>        | <b>1977355</b>  | <b>1977355</b>  | <b>355000</b>   | <b>1622355</b>  |
| 29 | Odisha Urban Livley Hood Mission                 | 18976/HUD/29.7.15  |                 | 569000          |                 |                 |                 |
|    |  | 4859/HUD/24.2.16   |                 | 137000          |                 |                 |                 |
|    | <b>Sub Total</b>                                 |                    | <b>0</b>        | <b>706000</b>   | <b>706000</b>   | <b>317500</b>   | <b>388500</b>   |
| 30 | Sitting allowance to ULB members                 | 4329/HUD/20.2.16   | 0               | 54000           | 54000           | 0               | 54000           |
|    | <b>Grand Total</b>                               |                    | <b>26214363</b> | <b>22794355</b> | <b>49008718</b> | <b>20470751</b> | <b>28537967</b> |

As per Rule-171 of the OGFR Vol-I and instruction contained in the sanction order scheme funds are to be utilized in the year of receipts and unutilized funds either be refunded to the sanctioning authority or utilized in subsequent years with prior approved of the competent authority.

**YRAR WISE BREAK UP OF THE UNSPENT GRANT :-**

Neither the year wise break up of grants is not found in the last and previous audit report nor the grant registers has been maintained properly by the local authority . As a result of that, the year wise break up of pending grants is worked out in the present audit as furnished below as per available registers and records . In response to memo in this regards, the E.O replied that old records shall be verified and final compliance be produced. However, the E.O is requested to work out the year wise break up of pending grants of Rs.28537967.00.00 from inception to till date and compliance be reported to audit.

**YRAR WISE BREAK UP OF THE UNSPENT GRANT :-**

| SL. NO | RELATED TO THE YEAR | AMOUNT             |
|--------|---------------------|--------------------|
| 1      | UP TO 2012-13       | 5866283.00         |
| 2      | FOR 2012-13         | 3396394.00         |
| 3      | FOR 2013-14         | 4569816.00         |
| 4      | FOR 2014-15         | 6689654.00         |
| 5      | FOR 2015-16         | 8015820.00         |
|        | <b>TOTAL</b>        | <b>28537967.00</b> |

**NON UTILIZATION OF GOVT , GRANTS :-**

As per Rule-171 of the OGFR Vol-I and instruction contained in the sanction order scheme funds are to be utilized in the year of receipts and unutilized funds either be refunded to the sanctioning authority or utilized in subsequent years with prior approval of the competent authority. It is seen that out of total available grants of Rs.49008718.00, during 2015-16, only a sum of Rs.20470751.00 has been spent which comes to 41.77%. When the local authority was asked regarding such average expenditure, the E.O replied that "as the grants were received during last moment of the financial year , it has not been not utilised. However, it has been utilised during 2016-17. The E.O is suggested to accelerate the pace of utilisation of grants so that, the very purpose of sanctioning of grants would be fulfilled. However, the, old grants may either be spent obtaining approval from the competent authority or be refunded to proper quarter, if there is no further scope of incurring expenditure.

The very purpose of sanction of the various grants by the Government is defeated if the grants remained unutilized for longer periods of time. Audit suggests that effective and efficient measures be taken by the Local Authority to utilize the various Grants effectively , efficiently and economically within a specific time frame(Validity of Grants is usually one year from the date of sanction) or refund the said Grants to the funding Agency after expiry of due time so that the intended purpose of the Grants can be fulfilled and the benefit of the Schemes can be delivered .

In the exit conference, the local authority assured that the Grant Register will be maintained properly and necessary steps will be taken for utilisation of Govt, Grants in scheduled period .

However , E.O is advised to maintain the Grant Register properly and utilise the grants in scheduled time as per guide line of the Govt , and compliance be reported to audit .

**PARA: 10 UTILISATION CERTIFICATE**

Gudari NAC - 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                         | 49893783.00             | 20470751.00  | 70364534.00        | 20709562.00   | 31-03-2016   | 49654972.00  |         |
|      | <b>GRAND TOTAL</b>                 | <b>49893783.00</b>      | <b>0.00</b>  | <b>70364534.00</b> | <b>20709562.00</b>                                  |  | <b>49654972.00</b>                                   |         |

**Comments :**
**Statement showing the Submission of U.C during the Year -2015-16**

| SI No | Letter No. & Date | Amount of UC Sent during the year 2015-16 | Name of the Scheme  | Year of Grant Received |
|-------|-------------------|---|---------------------|------------------------|
| 1     | 1385/15.04.15     | 247333.00                                 | Annul Maint. R&B    | 2014-15                |
| 2     | 1377/15.04.15     | 38384.00                                  | Road Development    | 2013-14                |
|       |                   | 469376.00                                 |                     |                        |
| 4     | 1381/ 15.04.15    | 662274.00                                 | Annul Maint. R&B    | 2013-14                |
| 5     | 1379/ 15.04.15    | 645616.00                                 | Road Development    | 2013-14                |
| 6     | 1387/ 15.04.15    | 286348.00                                 | NRB                 | 2013-14                |
| 7     | 1383/ 15.04.16    | 145795.00                                 | Annul Maint. R&B    | 2013-14                |
| 8     | 1073/ 25.07.16    | 1177000.00                                | Octroi Compensation | 2014-15                |
| 9     | 1081/ 25.07.15    | 5688436.00                                | Octroi Compensation | 2014-15                |
| 10    | 1078/ 25.07.15    | 1178000.00                                | Octroi Compensation | 2014-15                |
| 11    | 1076/ 25.07.15    | 1178000.00                                | Octroi Compensation | 2014-15                |
| 12    | 1074/25.07.15     | 1177000.00                                | Octroi Compensation | 2014-15                |
| 13    | 1507/17.11.15     | 1120110.00                                | BRGF                | 2013-14                |
| 14    | 298/ 04.02.16     | 2182753.00                                | Annul Maint. R&B    | 2014-15                |
| 15    | 296/ 04.02.16     | 531625.00                                 | Annul Maint. R&B    | 2013-14                |

|    |               |                    |                     |         |
|----|---------------|--------------------|---------------------|---------|
| 16 | 294/ 04.02.16 | 682713.00          | NRB                 | 2013-14 |
| 17 | 300/ 04.02.16 | 1177000.00         | Octroi Compensation | 2015-16 |
| 18 | 302/ 04.02.16 | 252564.00          | Octroi Compensation | 2014-15 |
| 19 | 469/ 05.02.16 | 1177000.00         | Octroi Compensation | 2015-16 |
| 20 | 579/7.4.15    | 692235.00          | BRGF                | 2013-14 |
|    | <b>Total</b>  | <b>20709562.00</b> |                     |         |

Due to non audit of 2010-2011 & 2011-12 & non maintenance of UC register the details UC position not ascertained by audit. However basing on records available & last audit report the UC Position worked out by present audit. The details UC Submitted during the year 2015-2016 is given below.

**Year wise break up of pending UC.**

| Year         | Amount             |
|--------------|--------------------|
| 2012-13      | 6398124.00         |
| 2013-14      | 4508201.00         |
| 2014-15      | 20631896.00        |
| 2015-16      | 18116751.00        |
| <b>Total</b> | <b>49654972.00</b> |

Due to non audit of 2010-2011 & 2011-12 & non maintenance of UC register the details UC position not ascertained by audit. However basing on records available & last audit report the UC Position worked out by present audit. The details UC Submitted during the year 2015-2016 is given above.

**NON SUBMISSION OF U.C:-POM -19**

The pending U.C position amounting to Rs. 49654972.00 as on 31.03.2016 is found to be highly alarming. As per Rule 173 of OGFR Vol-1, U.C to be submitted to proper quarter by 30th June of the succeeding year of expenditure. It is seen that against total UC amount of Rs. 70364534.00 for 15-16, UC for only Rs. 20709562.00 has been sent during 2015-16 which comes to only 29.43%. When the E.O was asked through objection memo regarding such poor submission of UC, the local authority replied that "the grants has been received at the end of the financial year. Hence, it was not utilised. However, the same has been utilised and U.C has been sent during 2016-17.

Non-Submission of UCs in the respective financial year is a gross fiscal irregularity and could hinder the prospect for sanction of grants in future. Once again, the E.O. Gudari NAC is requested to submit the pending U.C for Rs.49654972.00 as soon as possible and compliance be reported to audit.

In the exit conference, E.O stated that most of the U.C has been sent during 2016-17 and assured to sent U.C in proper quarter hence forth.

However, E.O is advised to take special care for submission of pending U.C in proper quarter and compliance be reported to audit.



**PARA: 11 MISAPPROPRIATION & DEFALCATION**

| <b>11.1 - Totalling mistake in DCR POM-17-</b>  |                |              |                    |                                    |             |            |              |                    |                                    |         |                |         |         |        |
|---|----------------|--------------|--------------------|------------------------------------|-------------|------------|--------------|--------------------|------------------------------------|---------|----------------|---------|---------|--------|
| <p>On checking of the DCR of Parking fees collection it was noticed that a sum of Rs. 100.00 was totaling mistake in DCR. Which could not be admitted by audit &amp; needs recovery. The details given below.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 5px;"> <thead> <tr> <th style="text-align: left;">DCR page No</th> <th style="text-align: left;">Receipt No</th> <th style="text-align: left;">Actual total</th> <th style="text-align: left;">Total shown in DCR</th> <th style="text-align: left;">Less shown due to totaling mistake</th> </tr> </thead> <tbody> <tr> <td>Page=15</td> <td>12314 to 12343</td> <td>3680.00</td> <td>3580.00</td> <td>100.00</td> </tr> </tbody> </table> <p>However steps may be taken to recover Rs. 100.00 person concerned &amp; compliance Reported to audit.</p> <p>In the Exit conference , thee E.O Gudari NAC recovered Rs. 100.00 from Sri Bibhuti Nanda, OTC vide MR. No-17171/ dtd. 20.04.2017 of Book No-172 .</p> <p>Verified the M.R and Cashiers Cash Book and found Rs.100.00 has been recovered and credited in the Cash Book . Hence para dropped.</p> |                |              |                    |                                    | DCR page No | Receipt No | Actual total | Total shown in DCR | Less shown due to totaling mistake | Page=15 | 12314 to 12343 | 3680.00 | 3580.00 | 100.00 |
| DCR page No   | Receipt No     | Actual total | Total shown in DCR | Less shown due to totaling mistake |             |            |              |                    |                                    |         |                |         |         |        |
| Page=15   | 12314 to 12343 | 3680.00      | 3580.00            | 100.00                             |             |            |              |                    |                                    |         |                |         |         |        |

**11.2 - Less credit of collection amount- POM 17 & 18-**

On checking of the DCR of Holding Tax collection w.r.t Cashier Cash book it was noticed that a sum of Rs. 85.00 less taken to Cashier cash book. Which could not be admitted by audit & needs recovery. The details given below.

| Period of collection  | Actual total DCR Page No-97 | Taken to Cashier cash book Page No-85 | Less taken |
|-----------------------|-----------------------------|---------------------------------------|------------|
| 4.1.2016 to 15.1.2016 | Rs. 1271.00                 | Rs. 1186.00                           | Rs. 85.00  |

However steps may be taken to recover Rs. 85.00 person concerned & compliance Reported to audit. Reported to audit.

In the Exit conference , thee E.O Gudari NAC recovered Rs. 100.00 from Sri Bibhuti Nanda, OTC vide MR. No-17169/ dtd. 20.04.2017 of Book No-172 .

Verified the M.R and Cashiers Cash Book and found Rs.100.00 has been recovered and credited in the Cash Book . Hence para dropped.

**11.3 - Non Credit of collection amount POM-18 -**

On Checking parking fee collection receipt book w.r.t DCR it was noticed that vide MR No. 12401.00 MR book No 125 a sum of Rs. 20.00 collected from Vehicle No-OR 02-BD 5607. But the collection amount Rs. 20.00 not taken to DCR. However Steps may be taken to recover Rs. 20.00 from concerned person compliance reported to audit.

In the Exit conference , thee E.O Gudari NAC recovered Rs. 20.00 from Sri Bibhuti Nanda, OTC vide MR. No-17170/ dtd. 20.04.2017 of Book No-172 .

Verified the M.R and Cashiers Cash Book and found Rs.20.00 has been recovered and credited in the Cash Book . Hence para dropped.

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

**12.1 -**

No Loss of stock & store has been made during 2015-2016 of Gudari NAC.

**PARA: 13 AUDIT OF RECEIPTS**

**13.1 - DCB Position of Taxes & fees-**

The demand collection and balance of different taxes, rents and fees for the year 2015-16 have been worked out basing on the records made available and furnished below.

It would be seen from the above statement that a sum of Rs.528336.00 was outstanding towards arrear and current due of taxes rent

and fees as on 31.3.16. The present council may take effective steps for collection of the same by taking Legal action as per the provision of Section 161 to 178 of O.M rules 1953 for early collection of the outstanding dues to increase the income of the council.

| DCB Position Gudari NAC for 2015-2016 |                                |               |               |                |               |               |               |              |               |               |               |
|---------------------------------------|--------------------------------|---------------|---------------|----------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|
| sl No                                 | Head of tax & fees             | Demant        |               |                | Collection    |               |               | Rebate       | Balance       |               |               |
|                                       |                                | Arrear        | Current       | Total          | Arrear        | Current       | Total         |              | Arrear        | Current       | Total         |
| <b>A</b>                              | <b>Holding Taxes</b>           |               |               |                |               |               |               |              |               |               |               |
| 1                                     | Holding                        | 174788        | 88287         | 263075         | 35067         | 52712         | 87779         | 8302         | 139721        | 27273         | 166994        |
| 2                                     | Lighting                       | 217043        | 80668         | 297711         | 31873         | 46831         | 78704         | 7346         | 185170        | 26491         | 211661        |
| 3                                     | water                          | 62011         | 34219         | 96230          | 13262         | 22841         | 36103         | 0            | 48749         | 11378         | 60127         |
| 4                                     | Drainage                       | 7326          | 19388         | 26714          | 7326          | 14175         | 21501         | 0            | 0             | 5213          | 5213          |
|                                       | <b>Total</b>                   | <b>461168</b> | <b>222562</b> | <b>683730</b>  | <b>87528</b>  | <b>136559</b> | <b>224087</b> | <b>15648</b> | <b>373640</b> | <b>70355</b>  | <b>443995</b> |
| <b>B</b>                              | <b>Licence fees &amp; rent</b> |               |               |                |               |               |               |              |               |               |               |
| 1                                     | Stall rent                     | 65158         | 79200         | 144358         | 33410         | 27600         | 61010         | 0            | 31748         | 51600         | 83348         |
| 2                                     | Service tax                    | 35538         | 25035         | 60573          | 34545         | 25035         | 59580         | 0            | 993           | 0             | 993           |
| 3                                     | Daily market                   | 0             | 7977          | 7977           | 0             | 7977          | 7977          | 0            | 0             | 0             | 0             |
| 4                                     | Parking fees                   | 0             | 78480         | 78480          | 0             | 78480         | 78480         | 0            | 0             | 0             | 0             |
| 5                                     | D & O trade                    | 0             | 11486         | 11486          | 0             | 11486         | 11486         | 0            | 0             | 0             | 0             |
| 6                                     | Building scrutiny              | 0             | 11085         | 11085          | 0             | 11085         | 11085         | 0            | 0             | 0             | 0             |
| 7                                     | Ferry ghat                     | 0             | 30100         | 30100          | 0             | 30100         | 30100         | 0            | 0             | 0             | 0             |
| 8                                     | Cart & carriage                | 0             | 1124          | 1124           | 0             | 1124          | 1124          | 0            | 0             | 0             | 0             |
| 9                                     | Mutation                       | 0             | 750           | 750            | 0             | 750           | 750           | 0            | 0             | 0             | 0             |
|                                       | <b>Total</b>                   | <b>100696</b> | <b>245237</b> | <b>345933</b>  | <b>67955</b>  | <b>193637</b> | <b>261592</b> | <b>0</b>     | <b>32741</b>  | <b>51600</b>  | <b>84341</b>  |
|                                       | <b>Grand Total</b>             | <b>561864</b> | <b>467799</b> | <b>1029663</b> | <b>155483</b> | <b>330196</b> | <b>485679</b> | <b>15648</b> | <b>406381</b> | <b>121955</b> | <b>528336</b> |

It is observed from the above table that, only a sum of Rs. 501327.00 (including rebate) has been collected during 2015-16 against total demand of Rs. 1029663.00 which comes to only 48.69% of total demand. Since, the tax part is the financial backbone of the NAC, it should be neglected in no way what it is noticed during 2015-16. This a part, neither a single new assessment has been done nor the tax assessment has been revised which reflects poor attention of the local authority to this sector. Hence, reason for such poor collection, non-assessment of new holding and non revision of tax assessment was not furnished to audit inspite issue of objection memo .

#### Revision of assessment of holding tax.:----

As per section 146 of Odisha Municipal Act, 1950, new valuation and assessment list should be prepared once in every five years. It is learnt from the assessment register that, the last assessment has been done on dt.22.1.2003 and no further revision has been conducted till today. Further as per section 143-A of OMA 1950, the E.O of the U.L.B concerned shall, un till the appointment of a valuation officer there of , exercise the powers and performs the duties of the valuation officer in respect of that U.L.B. But, it is seen that, during 2015-16, no such revision of assessment of taxes has been made and because of which, the Gudari NAC is sustaining losses. When the local authority was asked through objection memo in this regards, the E.O replied that that & quot; after verification of records, final compliance will be produced. The reply of the local authority failed to quench the thirst of audit. Once again, E.O , Gudari NAC is requested to make all out efforts for revision of assessment of taxes as soon as possible and compliance be reported to audit.

#### INADEQUATE SYSTEM OF COLLECTION HOLDING TAX FROM DEFAULTERS :-

As per Section 161(1) of the Orissa Municipal Act, 1950 if the sum due on account of any tax is not paid within sixty one days from the date on which it became due, the Executive Officer shall serve on the person liable to pay the same a notice in the prescribed form. If still the dues are not collected, the NAC is armed with Section 162 of the Act to levy by distress and sale of any movable property belonging to the defaulter wherever found, or of any movable property belonging to any other person which may be found within the holding in respect of which such defaulter is liable to such tax. In spite of all these provisions under Section 161(1), 162,163,164,165 and 166, if the NAC fails to realize the arrear tax by distress and sale, according to Section 169 the NAC may at any time apply to the District Collector for the recovery of the whole or any part of any arrear as an arrear of Land Revenue. Again as per Section 170 of the Act, the NAC instead of proceeding by distress and sale or in case of failure to realize the whole or any part of any tax, the NAC may sue the person liable to pay the same in any court of competent jurisdiction. Further it was found that though the system of penalty was there, yet there was no dictation of breach of tax rule as per Rule 553 of the OM rules 1953. On scrutiny of the DCB register of individual holdings and files it is seen that, the NAC has failed to take appropriate action under various sections of

the Orissa Municipal Act, 1950.

**13.2 - year wise break up of arrear taxes, rents and time barred dues-**

Details of arrear taxes rents and fees have been furnished in statement-H of the report . It is seen that a sum of Rs.406381.00 is outstanding towards arrear taxes, rents and fees as on 31.3.16.

**TIME BARRED TAXES :-**

As per section 346 of the Odisha Municipal Act, 1950, no distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any sum due to a nac under this Act, after the expiration of a period of three years from the date on which distraint might first have been made, a suit might first have been instituted, or prosecution might first have been commenced, as the case may be in respect of such sum. But, not a single demand notice U/s 161 or distress warrant u/s 162, 163 has been issued during the year 2015-16 by NAC authorities which resulted loss to the NAC Fund.

It was noticed that the DCB register has not been maintained by the local authority . In spite issue of objection the local authority could not be able to maintain and produce the DCB position of different Taxes and Rents till the close of audit . Neither the break up nor the time barred taxes had been furnished in last and previous Audit Report . For which the year wise break up and time barred dues taxes could not be worked out in present audit and not furnished in present Audit Report .

Hence the present EO is advised to take necessary steps for proper maintenance of D.C.B register and the up-to date position may be worked out. Action may be taken for amicable settlement with tax payers as tax has not become time barred.

In the exit conference , E.O stated that some Govt, office like P.S , Tahasil , Medical etc. of this NAC area has not deposited the holding Taxes . Besides some house holders have left their house since long . For which a sum of Rs.528336.00 is pending towards Taxes as on 31.03.2016 . Necessary action will be taken against the defaulters during the year,2017-18 for collection of arrear holding taxes .

However , E.O is advised to take effective steps as OM Rules for collection of arrear holding taxes and compliance be reported to audit .

**13.3 - Warrants-**

**WARRANTS :-**

It was noticed that though huge amount of taxes fees and rents were outstanding for realization no warrant has been issued against which are barred by limitation. The register of warrants has not been maintained and no warrant has not been maintained and no warrant has been issued during 2015-2016. The EO Should exercise the power which delegated to him and compliance be reported to audit, falling which he would be held responsible for such loss in further as per rule.

**13.4 - License fees, rents, fixed demand.-**

The demand collection and balance position of different fees and rents on fixed demand furnished vide para-13-1 of this Audit Report .

**13.5 - Assessment of Tax-**

As per section 146 of Odisha Municipal Act, 1950, new valuation and assessment list should be prepared once in every five years. It is learnt from the assessment register that, the last assessment has been done on dt.22.01.2003 and no further revision has been conducted till today. Further as per section 143-A of O.M.A 1950, the E.O of the U.L.B concerned shall, until the appointment of a valuation officer there of , exercise the powers and performs the duties of the valuation officer in respect of that U.L.B. But, it is seen that, up to 2014-15, no such revision of assessment of taxes has been made and because of which, the Gudari NAC is sustaining losses . But the assessment of taxes done during 2015-2016 by the NAC and only Holding tax enhanced from 3% to 8% on council resolution dt 7.10.2015 & decided to collect enhanced tax w.e.f 1.10.2015 . Accordingly holding tax has been collected with enhance rate from October , 2015 .

**13.6 - NON-MAINTAINTS OF BUILDING PLAN REGISTER-**

During course of audit it was noticed that in spite of repeated objection and suggestion given in last audit reports no steps have been taken for maintenance of building plan register as prescribed under section 264 of OM Act 1950. Though the construction of new buildings are growing up from time to time the revenue of the NAC is not increasing accordingly. Hence it is suggested that the council should take effective steps for assessment of taxes on the newly constructed building and ensure maintenance of the aforesaid register with compliance to audit.

In the exit conference , E.O stated that due to shortage of staff the same register has not been maintained . But the same register will be maintained from the financial year , 2017-18 .

However , Building plan register may be maintained with previous years entry by 31.05.2017 and compliance be reported to audit .

**13.7 - Farry ghat lease-**

It was ascertained from the relevant records that the NAC able to leased the farry ghat during the year 2015-2016. Because no one take participate in the lease. So at last decided by the council that @550.00 per day the farry ghat given to Sri pandaba Sahu as lease for rainy season and accordingly Rs. 30100.00 has been collected from the farry ghat during the year 2015-2016.

**13.8 -**

**Poor collection of Holding Tax:(POM No. )**

Basing upon the records made available to audit and as per the figures of the DCB statement an abstract of tax position for the year 2015-16 is furnished below:

| Item         | Total Demand for 15-16 | Total Collection including rebate during 2015-16 |
|--------------|------------------------|--|
| Holding Tax  | 263075.00              | 96081.00   |
| Light tax    | 297711.00              | 86050.00   |
| Water Tax    | 96230.00               | 36103.00   |
| Drainage Tax | 26714.00               | 21501.00   |
| <b>Total</b> | <b>683730.00</b>       | <b>239735.00</b>                                 |

It is observed from the above table that, only a sum of Rs. **239735.00**(including rebate) has been collected during 2015-16 against total demand of Rs. **683730.00** which comes to only 35.06%of total demand. Since, the tax part is the financial backbone of the NAC, it should be neglected in no

way what it is noticed during 2015-16. Apart from this, neither a single new assessment has been done nor the tax assessment has been revised which reflects poor attention of the local authority to this sector.

In the exit conference E.O agreed with the objection and stated that only one Tax Collector is in this NAC . For which arrear taxes has not been collected in due time .

However , special drives may be taken for collection of arrear taxes with other staff of NAC and compliance may be reported to audit .

**PARA: 14 AUDIT OF EXPENDITURE**
**14.1 - Purchase of Cycle token -POM-16.**
**Purchase of Cycle token:-**

On Scrutiny of paid vouchers w.r.t Acct cash book & stock register it was noticed that on voucher No 61/23.05.2015 a sum of Rs. 1200.00 was paid to Kalia Arts, Gandhinagar, Gudari for purchasing of 550 nos of Cart, trolley & cycle token. But during 2015-2016 only 115 nos token has been sold leaving the balance of 435 Nos . So the purpose of purchase is failed and wastage of NAC fund . The detail position of the Token purchase and sale during the year ,2015-16 is furnished below .

| Name of token | Token purchased    | Token sold | Balance Token to be sold. | Loss amounting to Rs. |
|---------------|--------------------|------------|---------------------------|-----------------------|
| Cart token    | 20 nos             | 5 nos      | 15 nos                    | 75.00                 |
| Trolley token | 30 nos             | 12 nos     | 18 nos                    | 60.00                 |
| Cycle token   | 500nos             | 98 nos     | 402 nos                   | 804.00                |
| Total         | 550 for Rs.1200.00 | 115 nos    | 435 nos                   | 939.00                |

It was noticed from concern file that no sincere steps has been taken by the E.O for selling of token . Besides , without requirement ,the purchase of huge quantity of token is irregular . For this loss the concerned E.O , Sri A . Nageswar Rao is solely responsible . Hence steps may be taken to recover the same & compliance be reported to audit.

**Responsible Person for this paragraph**

| Slno | Name                   | Designation | Adress                                      | Amount(In Rs:) |
|------|------------------------|-------------|---|----------------|
| 1    | A.Nageswar Raso, Ex-EO | Wx-EO       | Now EO at Kasinagar,<br>NAC, Dist-Gajapati. | 939.00         |

**14.2 -**
**Veracity of TIN No. for purchase of building materials :-**

As far as possible in course of audit, it was noticed that almost all purchases of building materials were made from the following firms. The TIN No shown in the bills were agreed with the actual TIN No as shown in the site of odisha tax.gov.in. The details of which are furnished below.

| Sl No | Supplier Name & Shop   | Tin Number. |
|-------|--|-------------|
| 1     | Choudhury Hard ware store, Gudari<br>Sri Sankar Prasad Choudhury.                  | 21044200028 |
| 2     | Majhi Gouri Enterprisers/Simadri Trinath suppliers<br>Sri Simadri Trinath, Gudaari | 21644200483 |
| 3     | Radha Krishna Enterprisers/Maa Jhankari Suppliers<br>Sri K.Radha Krishna           | 21151603908 |

|   |  |             |
|---|--|-------------|
| 4 | Enterprisera & SAuppliers, Main road Gudari<br>Sri Kotini Srinivas | 21824200666 |
|   |  |             |
|   |  |             |

**PARA: 15 AUDIT ON WORKS**

|  |
|--|
|  |
|--|

**15.1 - Less realization of VAT/OST-POM-19.**

Name of the work:- Const of protection wall & drain bsack side of B.D Colony Pravakar Nanda House to Baikuntha house.

E.C:- 497356.00 ( Road & Bridge) C.R No:- 5(8)/21.2.14

Agency:- Sri Prasanta Kumar choudhury, Contractor.

JE:- Sri Girish Chandra Mishra.

Ref to MB No-13/2014-15 ( at page 20 to 26.)

Ref to voucher No- 197/11.9.15. For Rs. 497356.00

**i) Less realization of VAT/OST.**

The total work value of this work is Rs. 497356.00 the admissible VAT/OST of this work comes to Rs. 24868.00 (497356.00 x 5%). But Rs. 19894.00 has been realized from the work bill leaving the balance amount of Rs. 4974.00 (24868.00-19814.00) which was paid in excess to the contractor.

Hence Rs. 4974.00 needs recovery from Sri Prasanta Kumar chudhury, Contractor compliance reported to audit.

For the above loss the following persons are held responsible equally.

|   |                              |             |
|---|------------------------------|-------------|
| 1 | Sri Girish ch. Mishra, JE    | Rs. 1658.00 |
| 2 | Sri Sujit Kumar Dash, Acct.  | Rs.1658.00  |
| 3 | Sri A. Nageswar Rao, Ex- E.O | Rs.1658.00  |
|   | Total                        | Rs. 4974.00 |

In the exit conference , E.O agreed with the objection raised by audit and replied that the less realization of VAT amount of Rs.4974.00 will be recovered from the S.D amount of the contractor .

Hence objection raised by audit stands good . E.O , Gudari is advised to recover the amount of Rs.4974.00 from the contractor and compliance may be reported to audit .

**15.2 - LESS DEDUCTION OF ROYALTY FROM WORK BILL -POM 21 & 22.**

Name of the work:- Completion of incomplete Biju Patha Gara with boundary wall & cycle standat Gudari NAC.

E.C:- 300000.00 ( MPLAD) C.R No:- 55/14-15

Agency:- Departmentally by Sri Girish ch. Mishra .

JE:- Sri Girish Chandra Mishra.

Ref to MB No-10/2014-15 ( at page 93 to 99 .)

Ref to voucher No- 164/20.08.15. For Rs. 256915.00 1<sup>st</sup> /RA.

**LESS DEDUCTION OF ROYALTY FROM WORK BILL:-**

On checking of the above noted work bill w.r.t the concerned work case record & MB, it was revealed that the work has been executed departmentally by Sri Girish ch. Mishra, JE .A sum of Rs. 256915.00 was allowed & paid to the executants towards the the execution of the above work. An amount of Rs. 4153.00 has been realised from the work bill towards royalty. On scrutiny of the M.B & work Bill a sum of Rs. 2053.00 has been less realised from work bill towards royalty which was detailed bellow.

| No | Item                | Quantity   | Stone | Sand  | Metal | Chips |
|----|---------------------|------------|-------|-------|-------|-------|
| 1  | Sand filling        | 6.14       | -     | 6.14  | -     | -     |
| 2  | CC 1:4:8            | 6.14       | --    | 2.94  | 5.89  | --    |
| 3  | RR Stone (1:6)      | 44.06      | 44.06 | 14.98 | --    |       |
| 4  | CC 1:2:4            | 1.22       | --    | 0.54  | --    | 1.09  |
| 5  | CB brick 1:6        | 36.87      | --    | 10.32 | --    | --    |
| 6  | 12 mm thick c.P 1:6 | 295.02 Sqm |       | 4.42  |       |       |
|    | Total               |            | 44.06 | 39.34 | 5.89  | 1.09  |

Royalty statement:-

|                     |                |         |
|---------------------|----------------|---------|
| Sand                | 39.34 x28.00=  | 1102.00 |
| Stone stone product | 51.04 x 100.00 | 5104.00 |
|                     | Total          | 6206.00 |

Less deduction of royalty Rs. 2053.00(6206.00 – 4153.00)

Hence the less deduction of royalty of Rs. 2053.00 is a loss of Govt. Revenue which needs recovery form the executnant. For the above loss the following persons are held responsible equally.

|   |                              |             |
|---|------------------------------|-------------|
| 1 | Sri Girish ch. Mishra, JE    | Rs. 684.00  |
| 2 | Sri Sujit Kumar Dash, Acct.  | Rs.684.00   |
| 3 | Sri A. Nageswar Rao, Ex- E.O | Rs.685.00   |
|   | Total                        | Rs. 2053.00 |

In the exit conference , E.O agreed with the objection raised by audit and replied that the less realization of royalty amount of Rs.2053.00 will be recovered from the S.D amount of the executant, Sri G.C Mishra, J.E .

Hence objection raised by audit stands good . E.O , Gudari is advised to recover the amount of Rs.2053.00 from Sri G.C Mishra, J.E and compliance may be reported to audit .

**15.3 - LESS DEDUCTION OF ROYALTY/VAT FROM WORK BIL-POM 23 & 24.**

Name of the work:- Const of Guard wall & stone paking behind Bulu choudhury House.

E.C:- 837373.00 (Roads & Bridges) C.R No:- --/14-15

Agency:- Gopal Krushna Bauri .

JE:- Sri Girish Chandra Mishra.

Ref to MB No-10/2014-15 ( at page 79 to 82 )

Ref to voucher No- 136/31.7.15. For Rs. 409638.00 .(1st/RA)

voucher No- 234/17.10.15. For Rs. 427735.00 (2nd RA/F)

**LESS DEDUCTION OF ROYALTY FROM WORK BIL:-**

On checking of the above noted work bill w.r.t the concerned work case record & MB, it was revealed that the work has been executed by the Executant Sri Gopal Krushna Bauri. A sum of Rs. 409638.00 was allowed & paid to the executants towards the the execution of the



above work. An amount of Rs. 15969.00 has been deducted from the work bill towards royalty. On scrutiny of the MB & Bill a sum of Rs. 1879.00 has been less deducted from work bill towards royalty which was detailed bellow.

| No | Item         | Quantity | Sand   | Metal  |
|----|--------------|----------|--------|--------|
| 1  | Sand filling | 90.84    | 90.84  | -      |
| 2  | CC 1:4:8     | 139.85   | 67.12  | 134.25 |
|    |              | Total    | 157.96 | 134.25 |

Royalty statement:-

|                     |                 |          |
|---------------------|-----------------|----------|
| Sand                | 157.96 x 28.00= | 4423.00  |
| Stone stone product | 134.25 x 100.00 | 13425.00 |
|                     | Total           | 17848.00 |

Less deduction of royalty Rs. 1879.00(17848.00 – 15969.00)

Hence the less deduction of royalty of Rs. 1879.00 is a loss of Govt. Revenue which needs recovery form the executnant.

**i) Less realization of VAT/OST.**

The total work value of this work is Rs. 837373.00 the admissible VAT/OST of this work comes to Rs. 41869.00 (837373.00 x 5%). But Rs. 33495.00 ( 1<sup>st</sup> R/A Rs. 16386.00 + 2<sup>nd</sup> R/A & final Rs. 17109.00 ) has been realized from the work bill leaving the balance amount of Rs. 8374.00 (41869.00-33495.00) which was paid in excess to the contractor needs recovery.

Hence Rs. 8374.00 needs recovery from Sri Gopal Krushna Bauri, Executant .

In this work total Rs. 10253.00 (1879.00+8374.00) may be recovered from Gopal Krushna Bauri , Executant.

However Rs. 10253.00 may be recovered from the executant Sri Gopal Krushna Bauri & compliance reported to audit.

For the above loss the following persons are held responsible equally.

|   |                              |              |
|---|------------------------------|--------------|
| 1 | Sri Girish ch. Mishra, JE    | Rs. 3417.00  |
| 2 | Sri Sujit Kumar Dash, Acct.  | Rs.3418.00   |
| 3 | Sri A. Nageswar Rao, Ex- E.O | Rs.3418.00   |
|   | Total                        | Rs. 10253.00 |

In the exit conference , E.O agreed with the objection raised by audit and replied that the less realization of VAT and Royalty amount of Rs. 10253.00 will be recovered from the S.D amount of the contractor .

Hence objection raised by audit stands good . E.O , Gudari is advised to recover the amount of Rs.10253.00 from the contractor and compliance may be reported to audit .

**15.4 - EXCESS Payment & LESS DEDUCTION OF ROYALTY FROM WORK BIL-POM 25 & 26.**

Name of the work:- Const of of extension of office building at NAC Gudari.

E.C:- 700000.00 ( 13<sup>th</sup> FCA ) C.R No:- --/13-14

Agency:- Smt Chinari Sunita .

JE:- Sri Sanjay Kumar Samal.

Ref to MB No-5/13-14 ( at page 150 to 168 )

Ref to voucher No- 52/15.5.15. For Rs. 177562.00 . (3<sup>rd</sup> & F)

**i) Excess payment:-**

On checking of the work bill w.r.t concerned case record and MB. It was noticed that an amount of Rs. 2208.00 was allowed & paid excess than the estimated cost. Which was detailed below.

| Sl No | Voucher No Dt.             | Amount paid   | Remarks              |
|-------|----------------------------|---------------|----------------------|
| 1     | 144/7.7.314                | Rs. 367317.00 | 1 <sup>st</sup> /RA  |
| 2     | 302/21.10.14               | Rs. 157329.00 | 2 <sup>nd</sup> /RA  |
| 3     | 52/15.5.15                 | Rs. 177562.00 | 3 <sup>rd</sup> RA/F |
|       | Total                      | Rs. 702208.00 |                      |
|       | Estimated cost of the work | Rs. 700000.00 |                      |
|       | Excess paid                | Rs. 2208.00   |                      |

The excess payment of Rs. 2208.00 beyond the estimated cost needs recovery from Smt Chinari Sunita, Executant.

**i) Less realization of VAT/OST.**

The total work value of this work is Rs. 700000.00 the admissible VAT/OST of this work comes to Rs. 35000.00 (700000.00 x 5%). But Rs. 28088.00 ( 1<sup>st</sup> R/A Rs. 14693.00 + 2<sup>nd</sup> R/A Rs. 6293.00 + 3<sup>rd</sup> & Final Rs. 7102.00) has been realized from the work bill leaving the balance amount of Rs. 6912.00 (35000.00-28088.00) which was paid in excess to the contractor needs recovery.

Hence Rs. 6912.00 needs recovery from Smt Chinari Sunita, Executant.

In this work total Rs. 9120.00 (2208.00+6912.00) may be recovered from Smt Chinari Sunita, Executant.

However Rs. 9120.00 may be recovered from the executant Smt. Chinari Sunita & compliance reported to audit.

For the above loss the following persons are held responsible equally.

|   |                              |                                      |
|---|------------------------------|--------------------------------------|
| 1 | Sri Sanjay Kumar Samal, JE   | (736.00+2304.00 VAT)=Rs. 3040.00     |
| 2 | Sri Sujit Kumar Dash, Acct.  | (736.00+2304.00 VAT)=Rs.3040.00      |
| 3 | Sri A. Nageswar Rao, Ex- E.O | (736.00 + 2304.00 VAT ) = Rs.3040.00 |
|   | Total                        | Rs. 9120.00                          |

In the exit conference , E.O agreed with the objection raised by audit and replied that the excess payment and less realization of VAT amounting to Rs.9120.00 will be recovered from the S.D amount of the contractor .

Hence objection raised by audit stands good . E.O , Gudari is advised to recover the amount of Rs.9120.00 from the contractor and compliance may be reported to audit .

**Responsible Person for this paragraph**

| Sino | Name                        | Designation | Adress  | Amount(In Rs:) |
|------|-----------------------------|-------------|---|----------------|
| 1    | Sri Sanjay Kumar Samal, JE  | JE          | Now JE Gudari NAC, Dist-Rayagada.                       | 736.00         |
| 2    | Sri Sujit Kumar Dash, Acct. | Accountant  | Now Accountant, Gudari NAC, Dist-Rayagada.              | 736.00         |
| 3    | A.Nageswar Raso, Ex         | Ex-E.O      | Now E.O at Kashinagar NAC, Kashinagar . Dist-Gajapati . | 736.00         |

**15.5 - Less realization of VAT/OST.POM-27.**

Name of the work:- Const of of CC road from Laxman patra house to Darasahi .

E.C:- 444200.00 ( Roads & Bridges ) C.R No:- 5(15)/21.2.14

Agency:- Sri Majhi Sabar .

JE:- Sri Sanjay Kumar Samal.

Ref to MB No-8/14-15 ( at page 110 to 118 )

Ref to voucher No- 64/12.5.15. For Rs. 377590.00 .

**i) Less realization of VAT/OST.**

The total work value of this work is Rs. 377590.00 the admissible VAT/OST of this work comes to Rs. 18880.00 (377590.00 x 5%). But Rs. 15104.00 has been realized from the work bill leaving the balance amount of Rs. 3776.00 (18880.00-15104.00) which was paid in excess to the contractor.

Hence Rs. 3776.00 needs recovery from Sri Majhi Sabar, Contractor.

However Rs. 3766.00 may be recovered from the executant Sri Majhi Sabar & compliance reported to audit.

For the above loss the following persons are held responsible equally.

|   |                              |             |
|---|------------------------------|-------------|
| 1 | Sri Sanjay Kumar Samal, JE   | Rs. 1258.00 |
| 2 | Sri Sujit Kumar Dash, Acct.  | Rs .1259.00 |
| 3 | Sri A. Nageswar Rao, Ex- E.O | Rs.1259.00  |
|   | Total                        | Rs. 3776.00 |

In the exit conference , E.O agreed with the objection raised by audit and replied that the less realization of VAT amount of Rs.3776.00 will be recovered from the S.D amount of the contractor .

Hence objection raised by audit stands good . E.O , Gudari is advised to recover the amount of Rs.3776.00 from the contractor and compliance may be reported to audit .

**15.6 - Excess payment- & Less realization of VAT/OST-POM-28 & 29.**

**Name of the work:-** Const of store room near NAC office building .

E.C:- 300000.00 ( NRB) C.R No:- 26/13-14.

Agency:- Sri Bishnu Prasad Deo.

JE:- Sri Sanjay Kumar Samal.

Ref to MB No-4/13-14 & 11/14-15 ( at page 72 to 85 ) & (Page 13 to 19)

Ref to voucher No- 487/27.2.15 For Rs. 234615.00

voucher No- 63/12.5.15.15 For Rs. 67220.00

Total Rs. 301835.00

**i) Less realization of VAT/OST.**

The total work value of this work is Rs. 300000.00 the admissible VAT/OST of this work comes to Rs. 15000.00 (300000.00 x 5%). But Rs. 12074.00 (9385.00+2689.00)has been realized from the work bill leaving the balance amount of Rs. 2926.00 (15000.00-12074.00) which was paid in excess to the Executant.

Hence Rs. 2926.00 needs recovery from Sri Bishnu Prasad Deo, Executant.

**i) Excess payment:-**

On checking of the work bill w.r.t concerned case record and MB. It was noticed that an amount of Rs. 1835.00 was allowed & paid excess than the estimated cost. Which was detailed below.

| Sl No | Voucher No Dt. | Amount paid | Remarks |
|-------|----------------|-------------|---------|
|-------|----------------|-------------|---------|

|   |                            |               |                      |
|---|----------------------------|---------------|----------------------|
| 1 | 487/27.2.15                | Rs. 234615.00 | 1 <sup>st</sup> /RA  |
| 2 | 63/12.5.15.15              | Rs. 67220.00  | 2 <sup>nd</sup> RA/F |
|   | Total                      | Rs. 301835.00 |                      |
|   | Estimated cost of the work | Rs. 300000.00 |                      |
|   | Excess paid                | Rs. 1835.00   |                      |

The excess payment of Rs. 1835.00 beyond the estimated cost needs recovery from Sri Bishnu Prasad Deo.

In this work total Rs. 4761.00 (2926.00+1835.00) may be recovered from. Sri Bishnu Prasad Deo.

However Rs. 4761.00 may be recovered from the executant Sri Bishnu Prasad Deo. & compliance reported to audit.

For the above loss the following persons are held responsible equally.

|   |                              |                                   |
|---|------------------------------|-----------------------------------|
| 1 | Sri Sanjay Kumar Samal, JE   | (611.00+975.00 VAT)=Rs. 1586.00   |
| 2 | Sri Sujit Kumar Dash, Acct.  | (612.00+975.00 VAT)=Rs.1587.00    |
| 3 | Sri A. Nageswar Rao, Ex- E.O | ( 612.00 + 976.00 VAT ) = 1588.00 |
|   | Total                        | Rs. 4761.00                       |

In the exit conference , E.O agreed with the objection raised by audit and replied that the less realization of VAT and excess payment amount of Rs.4761.00 will be recovered from the S.D amount of the contractor .

Hence objection raised by audit stands good . E.O , Gudari is advised to recover the amount of Rs.4761.00 from the contractor and compliance may be reported to audit .

#### Responsible Person for this paragraph

| S/no | Name                        | Designation | Adress   | Amount(In Rs:) |
|------|-----------------------------|-------------|--|----------------|
| 1    | A.Nageswar Raso, Ex         | Ex-E.O      | Now E.O at Kashinagar NAC, Kashinagar . Dist- Gajapati . | 612.00         |
| 2    | Sri Sujit Kumar Dash, Acct. | Accountant  | Now Accountant, Gudari NAC, Dist-Rayagada.               | 612.00         |
| 3    | Sri Sanjay Kumar Samal, JE  | JE          | Now JE Gudari NAC, Dist-Rayagada.                        | 611.00         |

#### PARA: 16 AUDIT ON UNITS / DEPARTMENT

|               |
|---------------|
| <b>16.1 -</b> |
| -No comment-  |

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

|  |
|--|
| <b>17.1 - BRGF-</b>  |
| The present audit has worked out physical and financial position of some major schemes for 2015-16 basing upon the records like work register, cash book etc made available to audit which is furnished below. |

PHYSICAL TARGET OF DIFFERENT PROJECTS DURING 2015-16.

| SL NO | Head of A/C          | projects pending as on 1.4.15 | Sanctioned during 15-16 | Total | Completed during 15-16 | Balance as on 31.3.16 |
|-------|----------------------|-------------------------------|-------------------------|-------|------------------------|-----------------------|
| 1     | BRGF                 | 5                             | 0                       | 5     | 0                      | 5                     |
| 2     | BK BK                | 1                             | 0                       | 1     | 0                      | 1                     |
| 3     | MPLAD                | 15                            | 0                       | 15    | 11                     | 4                     |
| 4     | MLALAD               | 1                             | 2                       | 3     | 2                      | 1                     |
| 5     | ROAD DEVELOPMENT     | 5                             | 2                       | 7     | 0                      | 7                     |
| 6     | 13 <sup>TH</sup> FCA | 4                             | 1                       | 5     | 2                      | 3                     |
| 7     | ROAD & BRIDGE        | 7                             | 3                       | 10    | 7                      | 3                     |
| 8     | M.V TAX              | 1                             | 2                       | 3     | 2                      | 1                     |
| 9     | S.B.M                | 0                             | 250                     | 250   | 50                     | 200                   |
| 10    | SPL.DEV.FUND         | 1                             | 8                       | 9     | 3                      | 6                     |
| 11    | SPL. PROBLEM FUND    | 0                             | 2                       | 2     | 0                      | 2                     |
| 12    | 14th FC              | 0                             | 11                      | 11    | 0                      | 11                    |
| 13    | CONST. OF AWC        | 1                             | 1                       | 2     | 0                      | 2                     |
|       | <b>TOTAL</b>         | 41                            | 282                     | 323   | 77                     | 246                   |

FINANCIAL TARGET OF DIFFERENT PROJECTS DURING 2015-16.

| SL NO | Head of A/C          | O.B as on 01.04.2015 | Receipt during 2015-16 | Total   | Expenditure during 2015-16 | C.B as on 31.03.2016 |
|-------|----------------------|----------------------|------------------------|---------|----------------------------|----------------------|
| 1     | BRGF                 | 4908284              | 0                      | 4908284 | 1391016                    | 3517268              |
| 2     | BK BK                | 277897               | 0                      | 277897  | 0                          | 277897               |
| 3     | MPLAD                | 3522524              | 0                      | 3522524 | 2854087                    | 668437               |
| 4     | MLALAD               | 190371               | 400000                 | 590371  | 300000                     | 290371               |
| 5     | ROAD DEVELOPMENT     | 1401892              | 526000                 | 1927892 | 0                          | 1927892              |
| 6     | 13 <sup>TH</sup> FCA | 1729910              | 156000                 | 1885910 | 695720                     | 1190190              |

|    |                   |         |         |         |         |         |
|----|-------------------|---------|---------|---------|---------|---------|
| 7  | ROAD & BRIDGE     | 2861183 | 794000  | 3655183 | 2182753 | 1472430 |
| 8  | M.V TAX           | 220366  | 469000  | 689366  | 404922  | 284444  |
| 9  | S B M             | 0       | 1977355 | 1977355 | 355000  | 1622355 |
| 10 | SPL.DEV.FUND      | 60608   | 3324000 | 3384608 | 531425  | 2853183 |
| 11 | SPL. PROBLEM FUND | 1531    | 450000  | 451531  | 33068   | 418463  |
| 12 | 14th FCA          | 0       | 1926000 | 1926000 | 0       | 1926000 |
| 13 | CONST. OF AWC     | 251614  | 250000  | 501614  | 0       | 501614  |

Regarding utilisation of Grants, comments has been noted vide para 9 of this Audit Report. However, the E.O is requested to to take effective steps for completion of the above said 246 Nos. of incomplete projects and compliance be reported to audit.

(A) Management of fund:-

The receipt, expenditure & balance of fund during the year 2015-2016 is shown under as per cash book.

| Opening balance | Receipt during 15-16 | Total      | Expenditure 15-16 | Balance    |
|-----------------|----------------------|------------|-------------------|------------|
| 4908284.00      | 0.00                 | 4908284.00 | 1391016.00        | 3517268.00 |

From the above position it may be observed that in spite of huge fund of cash in hand available, the target of the scheme has not been fulfilled resulting in deprivation of rural poor's in hilly area.

During the year under audit 2015-2016 no BRGF grant received by the NAC 1 nos of project of previous year grant construction of Bus stand Building project is ongoing . Expenditure made during 2015-2016 amounting to Rs.1391016.00.

**17.2 -**

**MANAGEMENT OF FUND :-**

**A- Back ward region grant fund schemes (BRGF)**

The scheme is aimed to redress the regional imbalances in development, bridge critical gaps in local infrastructure and the other developmental requirements, strengthen panchayat and municipality level governance with more appropriate capacity building ,provides professional support to local bodies for planning and improve the performances of PRIs. Under this scheme, Annual plan is prepared through Gram Sabhas and District Planning Committee (DPC) consolidates 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 SC/ST by preparing a separate sub plan within the plan of each ULB showing the scheme wise allocation for SC/ST community. Panchayat Raj Institutions use BRGF fund of any purpose within the items that are developed to them respectively as listed in 11th & 12th schedule of the constitution respectively. 100% fund is provided by the Ministry of Panchayat Raj, Govt. of India as Central 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 among 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. 5.00lakh only shall be taken up through VLL system. However works worth of more than RS. 5.00lakh , 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 NREGS guideline. Projects not less than RS. 4.00 lakh as district level and not less than RS 2.00 lakh in urban shall be executed and the mode of execution will be through open tender process.

1. During the year under audit no grants has been received under this scheme, but a sum of Rs.1391016.00 has been spent out of previous years grant without obtaining ex-post-facto approval from the competent authority.
2. Spill over Projects has not been completed during the year 2015-16 out of 05 Nos .
3. It was also noticed that, all the Projects under BRGF has been estimated above Rs.2 lakhs adhering to the guidelines.
4. Social audit for this scheme has not been conducted during the financial year 2015-16.
5. The utilisation of Grants under the scheme by the local authority is not satisfactory.

The receipt, expenditure & balance of fund during the year 2015-2016 is shown under as per cash book.

| Opening balance | Receipt during 15-16 | Total      | Expenditure 15-16 | Balance    |
|-----------------|----------------------|------------|-------------------|------------|
| 4908284.00      | 0.00                 | 4908284.00 | 1391016.00        | 3517268.00 |

From the above position it may be observed that in spite of huge fund of cash in hand available, the target of the scheme has not been fulfilled resulting in deprivation of rural poor's in hilly area.

**MPLAD SCHEME:**

The MPLAD scheme was introduced in the Block from the year 1993-94. The MPLAD is a plan scheme fully funded by Govt. of India. The Annual entitlement of MPLAD fund per M.P was raised to the tune of 5 cores .Each M.P has the choice to suggest the District Collector for taking up works in his /her constituency . The objective of the scheme is to enable the M.Ps to provide funds at their disposal and recommended works of development nature with emphasis on the creation of durable community assets based on the locally felt needs of his/her constituency . Right from inception of the scheme, durable assets of national Priorities viz drinking water, Primary education, public health, Sanitations and roads etc are being created. This scheme can be converge with the Central and State Govt. schemes provided such works are eligible under MPLAD funds from local bodies can also be pooled for MPLAD works. Wherever, such pooling is done, funds from other schemes sources should be used first and the MPLAD fund should be released later, so the MPLAD fund can be utilized for completion of the work .

1. During the year 2015-16 no grant has been received towards MPLAD SCHEME.
2. Out of the total Nos.of 15 Projects, only 11 nos. completed during the year under audit. For that purpose only Rs. 2854087.00 has been spent.
3. The Projects has been executed as per guidelines laid down in the MPLAD scheme.
  - (i) MPLAD funds should be deposited in flexi accounts which earn interest in higher rates
  - (ii) As per Letter No.C/22/2007-MPLAD/18/2010 see that no charges are deducted by Bank concerned for transfer of funds under MPLAD
  - (iii) As per Para 4.16 & 5.3 of MPLAD guideline ,2012 the interest accrued on the funds released under the scheme may be refunded to the competent authority after execution of works else the same is used for permission works recommended by the M.P concerned
  - (iv) As per Para 3.13 of guideline on MPLAD, 2012, the time limit for completion of the works should be generally not exceeded one year . In exceptional cases where the implementation time exceeds one year, specific reason for the same be incorporated in the sanction letter /order. A copy of the sanctioned letter /order shall be sent to the M.P concerned.

The receipt, expenditure & balance of fund during the year 2015-2016 is shown under as per cash book.

| Opening balance | Receipt during 15-16 | Total      | Expenditure 15-16 | Balance   |
|-----------------|----------------------|------------|-------------------|-----------|
| 3522524.00      | 0.00                 | 3522524.00 | 2854087.00        | 668437.00 |

**17.3 -**

**SJSRY:-**

Before implementation of SJSRY there were three poverty alleviation programmes i.e. Neheru Rozgar Yojana , Urban Basic Services Yojana & Pradhanmantri Urban Poverty alleviation programme functional the Urban sector of India. Those three programmes were merged and renamed as Swarna Jayanti Sahari Rojagar Yojana (SJSRY) which has been effected from 01.12.1997 . The ultimate goal of this programme was to implement employment & minor industries at the urban level . But from 01.04.09 a reformed & revised guideline was issued to recreate ability of Urban Pooors , by which a developed scenario would be achievable by the dint of this programme .

**Components of programme .**

1. Urban Self Employment programme .
2. Development of urban SHG of the Women .
3. Urban Community Development programme .
4. Urban Labour employment programme.
5. Speedy employment for the skilled & semi skilled programme .

**National Urban Livelihood Mission:-**

The National skill Development policy issued in March 2009 states that the demand for skilled manpower by 2022 is 50 million . Due to increasing urbanization 50 million non-firm employment opportunities will be created during 13th Five year plan period and same number of people would be provided certified skill training . The employment through skill training & placement (EST&P) component under NULM is designed to provide skills to the un-skilled urban poor as well as to upgrade the existing skill. The programme will provide for skill training of the urban poor to enable them setting up self-employment ventures and for salaried jobs in the private sector .

**Objectives:-**

The breeder objectives of the Employment through skills training & placement (EST &P) under NULM.

(i) To provide an asset to the urban poor inform of skills for sustainable livelihood.

(ii) To increase the income of the urban poor through structured , market –oriented certified course that an provide salaried

employment and/or self-employment opportunities which will eventually lead to better living standards and alleviation of urban poverty asustainable basis .

(iii) Ensure inclusive growth with increased contribution of skilled urban poor to the National Economy .

(iv) The National Urban Livelihood Mission (NULM) shall rest on the foundation that mobilization of urban poor house hold to form their own institution is an important investment for an effective and sustainable poverty reduction programme . These institution of the poor would partner with local self- Govt. , public service providers , banks private sectors and other main stream institution to facilitate delivery of social and economic services to the poor.

**FINANCIAL AND PHYSICAL ACHIEVEMENT OF NULM SCHEME FOR THE YEAR 2015-16**

| SL NOS | PARTICULAR | OB AS ON 1.4.2015 | RPTS DURIN G 2015-16 | TOTAL  | SPENT DURIN G 2015-16 | CB AS ON 31.3.2016 | % OF ACHIEVEMEN T | PHYSICAL TARGET    | PHYSICAL ACHIEVEMEN T | % OF ACHIEVEMEN T | STATUS |
|--------|------------|-------------------|----------------------|--------|-----------------------|--------------------|-------------------|--------------------|-----------------------|-------------------|--------|
| 1      | NULM       | 0                 | 706000               | 706000 | 317500                | 388500             |                   | SHG FORMATION=03   | 0                     | 0%                |        |
|        |            |                   |                      |        |                       |                    |                   | REVOILVING FUND=10 | 5                     | 50%               |        |



**PARA: 18 MISCELLANEOUS**

| <b>18.1 - AUDIT PARAGRAPHS PENDING FOR SETTLEMENT -</b>  |                                  |  |        |   |            |                 |            |                    |
|--|----------------------------------|--|--------|---|------------|-----------------|------------|--------------------|
| <b>Audit paragraph pending for settlement:-</b>  |                                  |  |        |   |            |                 |            |                    |
| Sl No.   | Audit Report No with Year of A/C | Paragraph pending for settlement relating to misappropriation of cash & loss of stock & store. |        | Paragraph pending for settlement other than misappropriation & defalcation. |            | Total           |            | Remarks            |
|  |                                  | No of paragraph  | Amount | No of Paragraph   | Amount     | No of paragraph | Amount     |                    |
| 1  | 2                                | 3  | 4      | 5   | 6          | 7               | 8          |                    |
| 1  | 44765/14-15                      | 0.00   | 0.00   | 5   | 1025218.00 | 5               | 1025218.00 | L.No-1610/23.12.15 |
| 2  | 178062/15-16                     | 0.00   | 0.00   | 7   | 798033.00  | 7               | 798033.00  | --                 |
| <p>It was seen from the above table that for the year 2013-2014 compliance has been sent to District Audit office, Local fund Audit, Rayagada. However the EO is requested to send further compliance to above Audit report for settlement of pending Audit paragraphs.</p>  |                                  |  |        |   |            |                 |            |                    |
| <b>18.2 - Trading accounts</b>   |                                  |  |        |   |            |                 |            |                    |
| -  |                                  |  |        |   |            |                 |            |                    |
| No such fund was operated by the NAC during the period under audit   |                                  |  |        |   |            |                 |            |                    |
| <b>18.3 - PERSISTENT IRREGULARITIES-</b>   |                                  |  |        |   |            |                 |            |                    |
| <p>a) While checking receipt books &amp; DCRs it was found that in some cases the date of collection of taxes is not mentioned in the receipt books and DCRs.</p> <p>b) Tax collectors are not depositing the collected amount daily.</p> <p>c) Daily checking of DCRs by the accountant w.r.t receipt books was not done before deposit of collected money. So tax collectors are depositing money at their own convenience by changing dates in the receipts. So it is advised that the DCRs and receipt books must be got checked by the accountant before deposit.</p> <p>d) The cashier cash book &amp; the subsidiary cash book was not checked by accountant which should be checked daily.</p> |                                  |  |        |   |            |                 |            |                    |
| <b>18.4 - IMPROPER MAINTENANCE OF CASH BOOKS AND REGISTERS-</b>  |                                  |  |        |   |            |                 |            |                    |
| <b>IMPROPER MAINTENANCE OF CASH BOOKS AND REGISTERS:-</b>  |                                  |  |        |   |            |                 |            |                    |
| <p>a) It is seen that the head of account is not reflected in the cash book.</p>   |                                  |  |        |   |            |                 |            |                    |

- a) It is seen that the head of account is not reflected in the cash book.
- b) Date of transactions have not been shown serially in the cash books.
- c) Many important registers prescribed in O.M. Rules are not maintained and periodical verification of accounts have not been conducted by E.O  
which violates Rule-84, 129 to 131, 142,163 to 167, 182 to 489, 200 & 201 of O.M.Rules -1953.
- d) Effective steps have not been taken to realize the arrear and warrant dues of taxes and rents.
- e) Govt. grants relating to previous year have been spent without obtaining fresh order of competent authority.
- f) Some advance have not been adjusted since long.
- g) Compliance reports of the pending audit reports have not been submitted for settlement of objection raised in audit.

**PARA: 19 AUDIT OF LOAN/DEPOSITS/CPF INCLUDING POSITIONS**
**19.1 - Position of Govt. Dues -**

Rules-6 of Odisha Treasury code VOI-I read with Rule-4 of Odisha General Finance Rule stipulate that all money receipt/ realized on behalf of Govt. should be deposited in full by the competent authority within three days of receipts of the same. Retention of Govt. money /Revenue outside the Govt. accounts is highly irregular and not permissible. In violation to the above instruction, the following Govt. dues such as Royalty, VAT and Cess realized from different works bill are yet to be deposited. The details of which are furnished below .

| Sl No | Heads      | OB on 1.4.2015 | Receipt   | Total      | Deposited | Balance as on 31.3.2016 |
|-------|------------|----------------|-----------|------------|-----------|-------------------------|
| 1     | Royalty    | 152027.00      | 183593.00 | 335620.00  | 184562.00 | 151058.00               |
| 2     | VAT        | 164016.00      | 252958.00 | 416974.00  | 378316.00 | 38658.00                |
| 3     | Cess       | 423931.00      | 96362.00  | 520293.00  | 0.00      | 520293.00               |
| 4     | Income Tax | 47313.00       | 54312.00  | 101625.00  | 101625.00 | 0.00                    |
| 5     | P.T        | 55825.00       | 23375.00  | 79200.00   | 23375.00  | 55825.00                |
|       | Total      | 815298.00      | 610600.00 | 1453712.00 | 687878.00 | 765834.00               |

In response to the objection memo the local authority stated that the balance outstanding Govt, dues will be deposit . However steps may be taken soon to deposit the above balance amount of revenue to be deposited and facts reported to audit. Till then the entire amount of Rs. 765834.00 is kept under objection .

In the exit conference E.O stated that vide voucher No-374 dt. 23.03.2017 and vide voucher No-375 dt.23.03.2017 all pending royalty and Vat amount has been deposited and balnce Govt, dues will be deposited by May ,2017 after calculation of actual position . Verified and found CESS and P.T has not been deposited till the date of exit conference .

Hence E.O is advised to calculate the actual position of Govt dues and deposit the same by May ,2017 and compliance be reported to audit .

**19.2 - Position of deposit-**

The position of deposits for the year 2015-2016 is furnished below.

| Item | O.B as on 1.04.2015 | Receipt during 2015-16 | Total      | Refunded during 2015-16 | C.B as on 31.3.16 |
|------|---------------------|------------------------|------------|-------------------------|-------------------|
| SD   | 904571.00           | 295251.00              | 1200002.00 | 22900.00                | 1177102.00        |

Despite repeated objection raised on last and previous audit reports, the deposit ledger has not been maintained, and the outstanding deposit ledger has also not been maintained. In absence of above records the year wise and category wise breakup of outstanding deposit as on 31.3.16 could not be ascertained by audit and furnished audit report. Hence E.O is advised to maintain the said records with up to date entries and produced to next audit.

In the exit conference E.O assured that the S.D Ledger will be maintained by May , 2017 .

However the security Deposit Ledger may be maintained properly by 31.05.2017 and compliance be reported to audit .

**19.3 - Provident Fund.-**

The outstanding abstract position of provident fund received through deduction from salary bill of the staff and deposited in their pass books or refunded to them for the period under audit is given below.

|   |   |           |
|---|---|-----------|
| 1 | Deposit outstanding on 1.4.15                 | 0.00      |
| 2 | Deposit received during the year              | 288990.00 |
| 3 | Total   | 288990.00 |
| 4 | Amount drawn deposit refunded during the year | 288990.00 |
| 5 | Deposit outstanding as on 31.3.16             | 0.00      |

The CPF deposit ledger not maintained by the NAC. The EO is advised to ensure the maintenance of the aforesaid register and shown to next audit.

**19.4 - LOAN -**

LOAN :-

The Loan Register was not produced to audit for checking of the actual position of loan outstanding against this NAC in spite issue of objection memo . As per statement of local authority and last audit report no loan is pending against NAC . During the year under audit no loan transaction has been made .

**19.5 - Loan-**

-No loan has been received & paid in Gudari NAC in the financial year 2015-2016.-

**PARA: 20 RESULT OF AUDIT**

**20.1 - General Remarks-**

Besides the remarks and suggestions made in the foregoing paras of this report the state of maintenance of accounts records and registers of this NAC is far from satisfactory and needs improvements.

During the course of audit , it was seen that, the general maintenance of accounts is far from satisfactory and needs further improvement. The E.O , Gudari NAC is requested to maintain the accounting records as per the Odisha Municipal (accounts) Rules,2012. Further, the local authority is requested to follow the audit suggestion and do the needful as discussed in the fore going paras of this audit report. Utmost care may be taken to enhance the collection of taxes and rents, maintenance of important register like DCB register, Grant register, U.C register etc. A part from this, all possible measures may be taken for utilisation of grants in time and submission of U.C

**20.2 - SPOT RECOVERY -**

**SPOT RECOVERY :-**

On the date of Exit conference , the following spot recovery has been made .

| SL. NO | REF. TO PARA NO. | M.R NO/ DATE     | AMOUNT | NAME OF THE PERSON          |
|--------|------------------|------------------|--------|-----------------------------|
| 1      | 11-1             | 17171/20.04.2017 | 100.00 | SRI BIBHUTI NANDA,OTC       |
| 2      | 11-2             | 17169/20.04.2017 | 85.00  | SRI NIRANJAN SAHOO, CASHIER |
| 3      | 11-3             | 17170/20.04.2017 | 20.00  | SRI BIBHUTI NANDA,OTC       |
|        |                  | TOTAL            | 205.00 |                             |

**Result Of Audit**

| SI No | Name Of The Paragraph | Amount suggested for recovery(In Rs:) | Amount kept on objection(In Rs:) | Amount Surchargeable(In Rs:) | Amount Embezzlement(In Rs:) | Amount Othercases(In Rs:) | Remarks |
|-------|-----------------------|---------------------------------------|----------------------------------|------------------------------|-----------------------------|---------------------------|---------|
| 1     | 5.1                   | 0.00                                  | 599189.00                        | 0.00                         | 0.00                        | 0.00                      |         |
| 2     | 14.1                  | 939.00                                | 939.00                           | 939.00                       | 0.00                        | 0.00                      |         |
| 3     | 15.1                  | 4974.00                               | 4974.00                          | 0.00                         | 0.00                        | 4974.00                   |         |
| 4     | 15.2                  | 2053.00                               | 2053.00                          | 0.00                         | 0.00                        | 2053.00                   |         |
| 5     | 15.3                  | 10253.00                              | 10253.00                         | 0.00                         | 0.00                        | 10253.00                  |         |
| 6     | 15.4                  | 9120.00                               | 9120.00                          | 2208.00                      | 0.00                        | 6912.00                   |         |
| 7     | 15.5                  | 3776.00                               | 3776.00                          | 0.00                         | 0.00                        | 3776.00                   |         |
| 8     | 15.6                  | 4761.00                               | 4761.00                          | 1835.00                      | 0.00                        | 2926.00                   |         |
| 9     | 19.1                  | 0.00                                  | 765834.00                        | 0.00                         | 0.00                        | 0.00                      |         |
|       | <b>Total</b>          | <b>35876.00</b>                       | <b>1400899.00</b>                | <b>4982.00</b>               | <b>0.00</b>                 | <b>30894.00</b>           |         |

**Audit Certificate**

Cetrified that the accounts of Gudari NAC 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**

| SI No | Ref Para No/Audit Objection | M.R.No | Date | Amount(In Rs:) | Name of the person |
|-------|-----------------------------|--------|------|----------------|--------------------|
|-------|-----------------------------|--------|------|----------------|--------------------|

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|-------------------|--|--|--------------|--|
| Statement Page No |  |  |              |  |
|                   |  |  | <b>Total</b> |  |