

**LOCAL FUND AUDIT, BALASORE, ODISHA**

CATEGORY : N A C

Audit Report No : 294661/AR/2017-2018-BALASORE

**PARA: 1 TITLE SHEET**

1	Name of the Institution :	<b>Nilgiri N.A.C.</b>
2	Year of Accounts under Audit :	<b>2016-2017</b>
3	Name of the Local Authority during the year of A/Cs :	1.PRAFULLA KUMAR NAYAK,1.04.2016-5.07.2016 2.SRI AJAY KUMAR MOHAPATRA,E.O,5.07.2016 A.N TO TILL DATE
	Name of the Local Authority at the time of Audit :	SRI AJAY KUMAR MOHAPATRA,E.O
4	Duration of Audit :	01-05-2017 To 17-05-2017 (Mandays Consumed :- 11)
5	Name of the Auditors :	NISHITH RANJAN SAHOO - Lead Auditor(01-05-2017 to 17-05-2017) RAGHUNATH MARANDI - Auditor(01-05-2017 to 17-05-2017)
6	Name of the Reviewing Officer :	DEBENDRANATH SINGH(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	10-07-2017
8	Entry Conference Date :	01-05-2017
9	Exit Conference Date :	29-06-2017
10	Name of the District Audit Officer :	TRINATH NAYAK
11	Date of approval of report by District Audit Officer :	17-07-2017

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		
Nilgiri N.A.C.	11.59	13	2627	4715	274	10675	18291	9434	8857

**PARA: 2 PHYSICAL VERIFICATION**

Slno	Items	Date Of Physical verification Before / After Transaction	Physical Balance	Balance As per Cash Book / Stock Register	Reference To The Page No Of Cash Book / Stock Register	Discrepancies If Any
1	Cash in hand					
2	Measurement Books					
3	Miscellaneous Receipt Books					
4	Service Postage Stamps					
5	Others					
6						

**Comments**

As per Rule 20 (a) of Odisha Local Fund Audit Rules, 1951 physical verification of MB, M.R. books, cash and postage stamps have been conducted before commencement of audit i.e 2.05.2017. The details of which given under.

Sl. No	Items	Date of physical verification(before transaction)	Physical Balance	Balance as per Cashbook/Stock register	Discrepancy/Reference to the page no of Cash Book/Stock Register
1	MB	2.05.2017	18nos	18 nos	093
2	Postage Stamp		457.00	457.00	058
3	H. Tax		63 nos	63 nos	0178
4	Parking Fee		46 nos	46 nos	0185
5	Licence u/s-290		56 nos	56 nos	0181
6	cash	2.05.2017	nil	nil	10

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

S/no	List Records/Register	Rules	Form No
1	Register of Estimates & Allotments	Rule 332	Form W-I
2	Stock account of Receipt Forms	Rule 196	Form L
3	Tax collector's daily collection register	Rule 192	Form K
4	Tax Receipt Form	Rule 188	Form I
5	Arrear Demand Register	Rule 187	Form H
6	Demand and Collection Register	Rule 178	Form B
7	Stamp Account	Rule 172	Form No. XLIV
8	Stock Register of Stationery	Rule 172	Form No. XLIV
9	Daily Collection Register	Rule 171	Form No. XL
10	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
11	Register of Grants	Rule 80	Form No. XLII
12	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
13	Miscellaneous Receipts	Rule 157	Form No. XXXIV
14	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
15	Register of Outstanding Advances	Rule 140	Form No. XIX
16	Advance Ledger	Rule 136	Form No. XVIII
17	Register of adjustments	Rule 132	Form No. XVII
18	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
19	Cash Book of the municipality	Rule 125	Form No. XIV
20	Periodical Increment Certificate	Rule 99	Form No. XI
21	Salary Bills	Rule 97	Form No. IX
22	Absentee Statement	Rule 97	Form No. X
23	Register of Bills	Rule 96	Form No. VII
24	Challan	Rule 87	Form No. VI
25	Cashier's Cash Book	Rule 81	Form No. V
26	Subsidiary Cash Book	Rule 128 A	Form No. V-A
27	Budget Estimate	Rule 74	Form No. I
28	Contract Agreement Form	Rule 341	Form W-III
29	Miscellaneous Supply Bill	Rule 343	Form W-V
30	Register of Works	Rule 345	Form W-VI
31	Stock & Store Register of Municipality	Rule 346	Form W-VII
32	Measurement Book	Rule 365	Form W-VIII

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

S/no	List Records/Register	Rules	Form No
1	Register of writes off of demands	Rule 190	Form J
2	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
3	Arrear List	Rule 170	Form No. XXXIX
4	Register of Interest Bearing Securities	Rule 147	Form No. XLI
5	Ledger of Lessees	Rule 170	Form No. XXXVIII
6	Jamabandi Register	Rule 170	Form No. XXXVII
7	Register of Lands	Rule 160	Form No. XXXV
8	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
9	Stock account of License Number Plates	Rule 155	Form No. XXXII
10	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
11	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
12	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
13	Loan Register	Rule 149	Form No. XXVII
14	Register of Investments	Rule 148	Form No. XXVI

15	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
16	Establishment Audit Register	Rule 146	Form No. XXV
17	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
18	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
19	Register of outstanding deposits	Rule 143	Form No. XXI
20	Permanent Advance Account	Rule 108	Form No. XII
21	Order Book	Rule 96	Form No. VIII
22	Subsidiary account of special taxes	Rule 79	Form No.-IV
23	Abstract of the Budget Estimate	Rule 74	Form No. I-A
24	Schedule for the Budget Estimate	Rule 77	Form No. III

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

S/no	List Records/Register	Rules	Form No
1	Warrant register	Rule 202	Form R
2	Register of Distrainted property & sales	Rule 204	Form S
3	Form of inventory & Notice	Rule 203	Form Q
4	Distraint Warrant Register	Rule 202	Form P
5	Progress statement of collection of taxes	Rule 200	Form N
6	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
7	Tax collector's Ledger	Rule 198	Form M
8	Mutation Register	Rule 184	Form G
9	Form of appeal petition	Rule 183	Form E
10	Register of Petitions	Rule 183	Form F
11	Assessment List	Rule 177	Form A
12	Deposit Ledger	Rule 142	Form No. XX
13	Abstract Register of Expenditure	Rule 129	Form No. XVI
14	Abstract Register of Receipts	Rule 129	Form No. XV
15	Nominal Muster Roll (NMR)	Rule 340	Form W-II
16	Contract Certificate	Rule 343	Form W-IV

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

S/no	List Records/Register	Rules	Form No
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**Comments**

Non Production of Prescribed documents, Registers etc for 2016-17

In spite of repeated objections issued in the previous Audit Reports , the following irregularities are committed rolling as such persistently and no sincere steps have been taken to avoid recurrence of such omissions and commissions . The Executive Officer is therefore once again impressed upon to look into the matter personally and to ensure to follow up the instructions and suggestions of Audit in maintenance of accounts through the prescribed registers in order to have a better shape of accounts in future.

The following irregularities were noticed during the course of Audit ;

Records prescribed but not maintained;

1. Assets Register
2. Loan Ledger
3. Abstract register of receipt and expenditure position
4. D C B Register & Year wise break up of Balance

All the records were called for by the audit by memo no.2/2.05.2017 of page no.2-8 as mentioned under Rule-67-72 Odisha Municipal Rules-1953. Details of Bank Passbook numbers are furnished in para-5 of this report. .

Non maintenance of valuable, important and mandatory in nature records usually leads to financial embezzlements, creates errors in utilization of funds resulting financial irregularities and hurdles in submission of utilization certificates. Different valuable data and financial statistics tends for misrepresentation to public and higher authorities.

Hence, to maintain transparency and effective financial administration, all the records as prescribed in the municipal act and OGFR need be maintained and compliance reported to audit.

**PARA: 4 FINANCIAL POSITION**

Nilgiri N.A.C. - 2016-2017

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	ALLCASH BOOK	01-04-2016	6891968 7.21	67536111. 04	13645579 8.25	83240350. 78	31-03-2017	5321544 7.47	31-03-2017	5321544 7.47	0.00	
	<b>GRAND TOTAL</b>		<b>6891968 7.21</b>	<b>67536111. 04</b>	<b>13645579 8.25</b>	<b>83240350. 78</b>		<b>5321544 7.47</b>		<b>5321544 7.47</b>	<b>0.00</b>	

**Comments**

Details of closing balance as on 31.03.2017 as follows.

SL.NO	Name of the cash book	Balance As Per Cash Book on 31.03.2017	cash book page no.
1	NRY	Rs. 1,157.00	VOL-II/1
2	MPLAD	Rs. 1,40,070.00	VOL-I/1
3	R.D. Grant	Rs. 37,77,045.44	VOL-I/6
4	Own fund	Rs. 8,928.00	VOL-II/4
5	IDSMT Grant	Rs. 3,04,435.00	VOL-II/7
6	MLA LAD	Rs. 3,85,451.95	VOL-II/12
7	12th Finance & Solid Waste Management Grant	Rs. 2,531.00	VOL-I/11
8	13th Finance, R & B, C.C.Road , General Area Basic Grant & 14th. Fianance	Rs. 97,71,186.00	VOL-I/212
9	RMG (H), RMG (N), Devolution fund, Boundary wall, Water bodies, M.V., Park & Greenary, Incentive Grant	Rs. 3,89,268.00	VOL-II/31
10	SJSRY & NSDP	Rs. 0.00	VOL-I/76
11	Tressury Passbook (PL A/c)-0335	Rs. 0.00	VOL-II/44
12	SOAP, NOAP, SRC DRM, BSY, UNDP, NFBS	Rs. 1,32,52,895.57	VOL-I/89
13	SJSRY	Rs. 0.00	VOL-I/90
14	Non-LFS pension	Rs. 5,60,017.00	VOL-II/49
15	S.D., I.T., Royalty, VAT	Rs. 22,96,939.00	VOL-II/65
16	Kalyan Mandap Grant	Rs. 18,22,150.00	VOL-II/77
17	Special Problem Fund, Spl. Dev. Fund(MLA) and Public Toilet Grant	Rs. 54,77,075.94	VOL-II/87
18	M.FUND	Rs. 1,547.00	VOL-II/100
19	Devolution Fund	Rs. 33,19,586.00	VOL-II/136
20	I.T.,VAT,Royalty, Cess & S.D.	Rs. 19,21,106.75	VOL-II/121
21	Water Bodies	Rs. 14,34,088.00	VOL-I/100
22	R.D. Grant (W.e.f. 14-15)	Rs. 15,74,207.00	VOL-I/129
23	M.P.LAD	Rs. 42,235.00	VOL-I/164
24	Swacha Bharat Mission	Rs. 45,15,182.00	VOL-I/185

25	Odisha Urabn Live hood Mission (OULM)	Rs. 14,595.00	VOL-I/204
26	4th. S.F.F. (15-16)	Rs. 9,42,176.00	VOL-I/230
27	O.C.	Rs. 12,05,772.82	OCG-104
28	DAY-NULM	Rs. 0.00	VOL-I/236
29	EPF CASH BOOK	Rs. 94.00	VOL-II/140
30	SUBSIDIARY CASH BOOK	55708.00	206
		Rs. 5,32,15,447.47	

Details of closing balance as on 31.03.2017 as follows.

SLNO	DETAILS OF CLOSING BALANCE	AMOUNT
1	BANK ACCOUNT	53159739.47
2	SUBSIDIARY CASH BOOK (CASH)	55708.00
	TOTAL	53215447.47

#### parking of Municipal fund in ineligible banks

.As per the Govt. Guideline issued vide letter no.6119/DLFA/17.05.2017 stated that the funds should be kept in public sector banks,Regional rural bank,co-operative bank and private sector bank. as follows.

<b>PUBLIC SECTOR BANKS</b>
1. State Bank of India
2. Indian Overseas Bank
3. UCO Bank
4. Bank of Baroda
5. Union Bank of India
6 Bank of India
7. Indian Bank
8. United Bank of India
9. Canara Bank
10. Allahabad Bank
11. Andhra Bank
<b>REGIONAL RURAL BANKS</b>
1. Utkal Grameen Bank
2. Odisha Gramya Bank
<b>CO-OPERATIVE BANKS</b>
1. Odisha State Co-operative Bank
<b>PRIVATE SECTOR BANKS</b>
1. HDFC Bank

During the course of audit only 4 accounts found ineligible bank accounts funds kept of municipal fund as follows.

SI No.	Name of the Bank	A/C No.	Name of the Grant	Balance As Per cash Book	Balance As Per Bank pass Book	Difference Amount
1	Axis Bank, Nilgiri	914010028316706	Special Problem Fund, Spl. Dev. Fund(MLA) and Public Toilet Grant	Rs. 54,77,075.94	Rs. 54,77,075.94	Rs. 0.00
2	Axis Bank, Nilgiri	914010046142332	Devolution Fund	Rs. 33,19,586.00	Rs. 33,19,586.00	Rs. 0.00
3	Axis Bank, Nilgiri	915010021294426	I.T.,VAT,Royalty, Cess & S.D.	Rs. 19,21,106.75	Rs. 19,21,106.75	Rs. 0.00

4	Sydicate Bank, Nilgiri	72552200004402	DAY-NULM	Rs. 0.00	Rs. 0.00	Rs. 0.00
		TOTAL		10717768.69	10717768.69	0.00

Hence the executive officer may be advised to follow the govt.guideline for kept in funds above mentioned banks.

#### BUDGET

The budget estimate of the N.A.C for the year 2016-17 was prepared and approved by council and submitted the same to the collector vide letter no. 226/10.03.2016 of Balasore and same was approved by Govt. Of odisha H & UD vide its letter no.28352/HUD/2.12.2016 .The provisions made in the budget estimate is furnished herewith for reference in accordance with the actual receipts and expenditure.

1.As per Rule-74 of Odisha municipality Rules 1953 the budget estimate of the general fund accounts shall be prepared in english inform no-1 by the Executive Officer of the Municipality in consultation with the chairman. The receipt shall be estimated in detail, but the totals only of the estimated expenditure shall be entered in the body of the budget estimate against the several heads. An abstract in form no -1 shall be appended to the budget estimate.

2.The Chairman shall present the budget estimates before the council on or before the 1st February in the year immediately preceding that for which they are framed and a copy of the budget estimates as passed by the council shall be submitted to the Government through District Magistrate and the Board of Revenue in case of budget estimate relating to the general fund of the council.(As per Rule-76)

3.The budget shall be accompanied by a schedule in form no-3 for each Major/minor and detail heads in which full details of estimated receipt and expenditure under that head shall be entered.(as per Rule-77)

4.If The state Govt. found any improper or erroneous figure in the budget estimate ,the Govt. return it to the municipality for alteration and modification if necessary. The Municipality shall make such alteration and modification in the budget estimate and resubmit it within one month from the date of its receipt to the state Govt. for its approval. The Govt. is required to intimate their approval to the Chairman of the respective Municipality on or before 1st April.(as per sec-109)

From the above tables it has been concluded that the provisions made in budget estimate is not realistic. Odisha Budget Manual read with section 108(a) of the Odisha Municipal Act-1950 stipulates that both the departmental and the district estimate should always receive the careful personal attention of the officers who submit them, so that they may be neither inflated nor under pitched but as accurate as possible.

Steps may be taken to increase to receipt for the sound financial position of N.A.C. Hence it was established that the preparation of Budget is not realistic in nature as such Budget may be prepared basing on the actual collection & expenditure which should be realistic.

Budget receipt	Autual receipt	Budget expenditure	Actual expenditure
66178976	67536111. 04	50400564	83240350.78



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

Nilgiri N.A.C. - 2016-2017

S/no	Name of the Bank	A/C No.	Closing Balance Date As on (dd/mm/yyyy)	Closing Balance in Pass Book(In Rs:) (A)	Closing Balance in Bank Date Cash Book (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(In Rs:) (B)	Difference(In Rs:)(A-B)	Remarks
1	ALL BANK PASS BOOK		01-04-2016	61856762.47	31-03-2017	53159739.47	8697023.00	
	<b>GRAND TOTAL</b>			<b>61856762.47</b>		<b>53159739.47</b>	<b>8697023.00</b>	

**Reconciliation**

Details of closing balance as on 31.03.2017 are given below.

Sl No.	Name of the Bank	A/C No.	Name of the Scheme	Balance As Per cash Book	Bank Balance as Per Bank in pass Book	Difference Amount
1	Balasure Bhadrak Cooperative Bank	1466	NRY	Rs. 1,157.00	Rs. 1,157.00	Rs. 0.00
2	Balasure Bhadrak Cooperative Bank	1465	MPLAD	Rs. 1,40,070.00	Rs. 1,40,070.00	Rs. 0.00
3	Balasure Bhadrak Cooperative Bank	7135	R.D. Grant	Rs. 37,77,045.44	Rs. 37,77,045.44	Rs. 0.00
4	Balasure Bhadrak Cooperative Bank	1539	Own fund	Rs. 8,928.00	Rs. 8,928.00	Rs. 0.00
5	UCO Bank	7481	IDSMT Grant	Rs. 3,04,435.00	Rs. 3,04,435.00	Rs. 0.00
6	UCO Bank	7687	MLA LAD	Rs. 3,85,451.95	Rs. 3,85,451.95	Rs. 0.00
7	UCO Bank	04320100011514	12th Finance & Solid Waste Management Grant	Rs. 2,531.00	Rs. 2,531.00	Rs. 0.00
8	UCO Bank	04320110012666	13th Finance, R & B, C.C.Road , General Area Basic Grant & 14th. Fianance	Rs. 97,71,186.00	Rs. 1,51,02,769.00	Rs. 53,31,583.00
9	UCO Bank	04320100002708	RMG (H), RMG (N), Devolution fund, Boundary wall, Water bodies, M.V., Park & Greenary,	Rs. 3,89,268.00	Rs. 3,89,268.00	Rs. 0.00

10	UCO Bank	7557	Incentive Grant SJSRY & NSDP	Rs. 0.00	Rs. 0.00	Rs. 0.00
11	UCO Bank	04320210000335	Tressury Passbook (PL A/c)	Rs. 0.00	Rs. 0.00	Rs. 0.00
12	State Bank of India, Nilgiri	11226725511	SOAP, NOAP, SRC DRM, BSY, UNDP, NFBS	Rs. 1,32,52,895.57	Rs. 1,32,72,895.57	Rs. 20,000.00
13	State Bank of India, Nilgiri	30316126309	SJSRY	Rs. 0.00	Rs. 0.00	Rs. 0.00
14	State Bank of India, Nilgiri	30320940924	Non-LFS pension	Rs. 5,60,017.00	Rs. 10,75,277.00	Rs. 5,15,260.00
15	Odisha Gramya Bank, Nilgiri	42063403000039	S.D., I.T., Royalty, VAT	Rs. 22,96,939.00	Rs. 39,87,776.00	Rs. 16,90,837.00
16	Odisha Gramya Bank, Nilgiri	420634003000653	Kalyan Mandap Grant	Rs. 18,22,150.00	Rs. 29,13,715.00	Rs. 10,91,565.00
17	Axis Bank, Nilgiri	914010028316706	Special Problem Fund, Spl. Dev. Fund(MLA) and Public Toilet Grant	Rs. 54,77,075.94	Rs. 54,77,075.94	Rs. 0.00
18	Postal, Nilgiri	49672		Rs. 1,547.00	Rs. 1,547.00	Rs. 0.00
19	Axis Bank, Nilgiri	914010046142332	Devolution Fund	Rs. 33,19,586.00	Rs. 33,19,586.00	Rs. 0.00
20	Axis Bank, Nilgiri	915010021294426	I.T.,VAT,Royalty, Cess & S.D.	Rs. 19,21,106.75	Rs. 19,21,106.75	Rs. 0.00
21	State Bank of India, Nilgiri	34919605672	Water Bodies	Rs. 14,34,088.00	Rs. 14,34,088.00	Rs. 0.00
22	State Bank of India, Nilgiri	34919606085	R.D. Grant  (W.e. f. 14-15)	Rs. 15,74,207.00	Rs. 16,15,461.00	Rs. 41,254.00
23	State Bank of India, Nilgiri	35113152072	M.P.LAD	Rs. 42,235.00	Rs. 42,235.00	Rs. 0.00
24	State Bank of India, Nilgiri	35113144367	Swacha Bharat Mission	Rs. 45,15,182.00	Rs. 45,15,182.00	Rs. 0.00
25	Odisha Gramya	420634003001896	Odisha Urabn Live	Rs. 14,595.00	Rs. 14,595.00	Rs. 0.00

	Bank, Nilgiri		hood Mission (OULM)			
26	Odisha Gramya Bank, Nilgiri	420634003002142	4th. S.F.F. (15-16)	Rs. 9,42,176.00	Rs. 9,42,176.00	Rs. 0.00
27	State Bank of India, Nilgiri	30737123625	O.C. G	Rs. 12,05,772.82	Rs. 12,12,296.82	Rs. 6,524.00
28	Sydicate Bank, Nilgiri	72552200004402	DAY-NULM	Rs. 0.00	Rs. 0.00	Rs. 0.00
29	State Bank of India, Nilgiri	36693810340	EPF Cash book	Rs. 94.00	Rs. 94.00	Rs. 0.00
			<b>GRAND TOTAL</b>	<b>Rs. 5,31,59,739.47</b>	<b>Rs. 6,18,56,762.47</b>	<b>Rs. 86,97,023.00</b>

Details of pass book and cash book reconciliation as given below.

<b>State Bank of India, Nilgiri A/C No. 23625</b>			
Reconciliation Statement as on 31.03.2017.			
<b>Cheque No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Amount</b>
<b>BALANCE AS PER OCG CASH BOOK</b>			<b>Rs. 12,05,772.82</b>
921025	14.10.16	Add: Cheque issued to Pravat Ku. Jena but not cleared Vr.1009	<b>3524.00</b>
177625	24.03.17	Add: Cheque issued to Ashribad Prakashan (P) Ltd. but not cleared Vr.1009	<b>3000.00</b>
			<b>6524.00</b>
<b>BALANCE AS PER PASS BOOK</b>			<b>Rs. 12,12,296.82</b>

**OGB, Nilgiri A/C No. 0039(S.D., I.T., Royalty, VAT)**

Reconciliation Statement as on 31.03.2017.			
<b>Cheque No.</b>	<b>Date</b>	<b>Particulars</b>	<b>Amount</b>
<b>BALANCE AS PER CASH BOOK</b>			<b>Rs. 22,96,939.00</b>
044550	28.03.17	Add: Cheque issued to Odisha Buidlign & Other Const. Workers Welfare Boad, BBSR but not cleared Vr.No.1037	<b>292744.00</b>
046251	28.03.17	Add: Cheque issued to Sale Tax Officer, Balsore but not cleared Vr.No.1038	<b>1398093.00</b>
			<b>1690837.00</b>

<b>BALANCE AS PER PASS BOOK</b>	<b>Rs. 39,87,776.00</b>
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<b>SBI, Nilgiri A/C No.40924(NON-LFS PENSION)</b>			
Reconciliation Statement as on 31.03.2017.			
Cheque No.	Date	Particulars	Amount
<b>BALANCE AS PER CASH BOOK</b>			<b>Rs. 5,60,017.00</b>
771687	30.03.17	Add: Cheque issued to Ex.Eng. CED, Balsore but not cleared Vr.No.1039	<b>515260.00</b>
			<b>515260.00</b>
<b>BALANCE AS PER PASS BOOK</b>			<b>Rs. 10,75,277.00</b>

<b>SBI, Nilgiri A/C No.25511(SOAP, NOAP, SRC DRM, BSY, UNDP, NFBS)</b>			
Reconciliation Statement as on 31.03.2017.			
Cheque No.	Date	Particulars	Amount
<b>BALANCE AS PER CASH BOOK</b>			<b>Rs. 1,32,52,895.57</b>
631435	12.08.16	Add: Cheque issued to Rama Mani Behera but not cleared Vr.362	20000.00
			<b>20000.00</b>
<b>BALANCE AS PER PASS BOOK</b>			<b>Rs. 1,32,72,895.57</b>

<b>Odisha Gramya Bank, Nilgiri A/C No.0653(Kalyan Mandap )</b>			
Reconciliation Statement as on 31.03.2017.			
Cheque No.	Date	Particulars	Amount
<b>BALANCE AS PER CASH BOOK</b>			<b>Rs. 18,22,150.00</b>
045829	30.03.17	Add: Cheque issued to Dharmabrata Mishra, Cont. but not cleared Vr.1040	1091565.00
			<b>1091565.00</b>
<b>BALANCE AS PER PASS BOOK</b>			<b>Rs. 29,13,715.00</b>

<b>SBI, Nilgiri A/C No.6085(R.D. )</b>			
Reconciliation Statement as on 31.03.2017.			
Cheque No.	Date	Particulars	Amount
<b>BALANCE AS PER CASH BOOK</b>			<b>Rs. 15,74,207.00</b>
506369	28.03.17	Add: Cheque issued to Sandip Ku. Sahu but not cleared Vr.1026	41254.00

			<b>41254.00</b>
<b>BALANCE AS PER PASS BOOK</b>			<b>Rs. 16,15,461.00</b>

UCO Bank, Nilgiri A/C No.12666(13th Finance, R & B, C.C.Road , General Area Basic Grant & 14th. Fianance)			
Reconciliation Statement as on 31.03.2017.			
Cheque No.	Date	Particulars	Amount
<b>BALANCE AS PER CASH BOOK</b>			Rs. 97,71,186.00
251922	28.03.17	Add: Cheque issued to Nityananda Nayak, Cont. but not cleared Vr.No.1028	Rs. 63,439.00
251924	28.03.17	Add: Cheque issued to Ex.Eng.P.H. Division, Bls. but not cleared Vr.No.1030	Rs. 3,04,200.00
251925	28.03.17	Add: Cheque issued to Ex.Eng.CED, Bls. but not cleared Vr.No.1031	Rs. 25,00,000.00
251926	28.03.17	Add: Cheque issued to Kalinga Elect., Balasore but not cleared Vr.No.1032	Rs. 18,02,840.00
251927	28.03.17	Add: Cheque issued to M/S Orissa Sales Corp., Balasore but not cleared Vr.No.1034	Rs. 6,61,104.00
			5331583.00
<b>BALANCE AS PER PASS BOOK</b>			<b>Rs. 1,51,02,769.00</b>

1 .Rule-10 and 12 of O.G.F.R provides for control of expenditure and internal cheque against financial irregularities by the implementing agencies. As provided in Rule-129,130 and 131 all the entries of the receipt side of the cash book shall be posted one by one direct from the cash book into the abstract register of receipt (Form no-XV) and all the entries of the payment side of the cash book shall be similarly posted into the register of expenditure (Form-XVI).

2.The abstract register shall be kept in English and shall be posted as often as may be convenient but in no case shall it be posted later than 10 days after the close of the month to which the account relates.

3.The cash transaction in the abstract register shall be totaled every month and the grand totals of the different heads of receipts and expenditure must necessarily be equal to and shall be compared by the executive officer with the total of receipts and payments in the cashbook,who shall initial the abstract registers in token of having made this comparison.

However this NAC has reconciled the cash book with the passbook

**Loss of Interest due to non parking of funds in Flexi Account.**

As per letter no-35425/F/12.10.12, all departments were asked to instruct the implementing agencies which are authorised to keep the central share and state share or only central share of the centrally sponsored schemes in bank accounts, to keep them in Flexi account so that higher interest accrual of the scheme funds can be ploughed back to expand the coverage of the scheme without affecting the fund flow of this scheme. As revealed from the grant statement that during the year covered under audit, mammoth grants to the tune of Rs 57433812.00 has been received by the Municipality and the same have been kept in different saving bank accounts. Had the money been deposited in Flexi account, the Municipality would have earned higher interest accruals from the scheme funds. Due to non adoption of this scheme N.A.C has sustained the loss of differential ( higher) rate of interest .

**PARA: 6 STOCK POSITION**

Nilgiri N.A.C. - 2016-2017

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

**Comments**

As per rule 106 of O.G.F.R an inventory of dead stock should be maintained in all Govt. offices in form O.G.F.R-6 showing the number of articles received, the number disposed of ( by transfer, sale, loss etc) and the balance in hand for each kind of article . Audit objection memo number - 17/11.05.2017 of page no.33 was issued for production of dead stock register in appropriate format maintained by the N.A.C but no such register was produced till closure of Audit. In lieu of dead stock register a statement showing the position of office furnitures and stationaries in use in different section of the N.A.C. was furnished to Audit. The balance in hand of each kind of article along with the deion of the articles and sections in which those have been used were furnished in the following proforma .

Stationaries				
SI. No	Item	Quantity	As on date	Page no.
1	A/4 size paper	28 pkt	31.3.17	2
2	Black Phyniel	5 liters	31.3.17	23
3	Bleaching Powder	1 Pkt	31.3.17	25
4	Carbone	1 Pkt	31.3.17	31
5	Glass	6 nos.	31.3.17	74
6	M.B	18 nos.	31.3.17	93
7	Stamp Pad	2 nos.	31.3.17	116
8	Towel	6 nos.	31.3.17	124
9	Holding M.R Book	63 nos.	31.3.17	178
10	U/S 290 License Fee	56 nos.	31.3.17	181
11	Parking Fee M.R Book	48 nos.	31.3.17	185
12	Grant Registser	2 nos.	31.3.17	231

The stock position of electrical materials are given below which was produced by the local authority.

Sl. No	Name of the item	Page No	Balance 2016-17
1	40 wt. Tube	1	51
2	40 wt. Tube light full fitting	-	-
3	Tube light side holder	8	39
4	Tube light 40 Wt .Elec. Chock	271	75
5	2.5mm PVC service wire(in mtr.)	16	100
6	4 mm PVC service wire (in mtr.)	20 & 312	495
7	6 mm PVC service wire(in mtr)	25	840
8	Bed switch	28	159
9	70Wt. S.V Bulb	35	-
10	70 Wt. S.V chock	40	-
11	250 Wt. S.V bulb	43	48
12	250 Wt. S.V Chock	47	5
13	70 Wt. to 400 Wt. Ignitor	50	124
14	250 Wt. S.V cover	-	-
15	250 Wt. S.V holder	58	27
16	U type M.S.Clamp with nut bolt for cement pole	62	39
17	Iron Joist pole clamp with nut bolt	66	-
18	1" X ¼ " G.I bend pipe	71	38
19	Tube light stand with tube	74	-
20	Big plash (Taparia)	78	1
21	Tester(Taparia)	81	4
22	Screw driver big (Taparia)	83	2
23	Calling bell switch (Box type)	-	-
24	6 Amp. Peon Switch	89	14
25	Fan dimar	90	7

26	5 pin socate(6AMP)	92	7
27	400 Wt. S.V bulb	95	27
28	400 Wt S.V chock	99	31
29	4mm Finolex wire	-	-
30	32 Amp. Kit Kat	-	-
31	63 Amp. Kit Kat	107	7
32	100 Amp. Kit Kat	111	16
33	200 Amp. Kit Kat	114	18
34	250 Wt. S.V full fitting W/L	-	-
35	15 Amp round switch	121	52
36	36 Wt. 4 pin candle lamp	125	76
37	70 Wt. S.v full fitting	-	-
38	2.25 fan capacitor	134	16
39	1 X 36 Wt. FPL full fitting W/L	136	-
40	2 X 36 wt. FPL full fitting W/L	141	-
41	PVC roll tap	146&156	474
42	PVC roll pipe ½ "	-	-
43	Pin type bulb holder	153	248
44	2 X 24 Wt. . FPL light full fitting W/L	155	-
45	70 Wt. SV holder	161	10
46	36 Wt. 4 pin candle side holder	164	183
47	36 Wt. FPL 2 pin candle	-	-
48	400 Wt. M.H bulb	172	0.00
49	250 Wt. M.H bulb	177	108



50	2 X 24 Wt. chock (T-5)	182	115
51	T-5 24 Wt. Lamp side holder	187	50
52	T-5 24 Wt. Lamp	193	40
53	16 mm G.i wire(in K.G)	197	2.150
54	Helmet	-	-
55	Hand Glove	-	-
56	Full Shoe	-	-
57	Selling Fan (C.G)	-	-
58	1 X 36 Wt.Fipil Cover	-	-
59	2 X 36Wt. Fipil Cover	-	-
60	2 X 24Wt. T5 Cover	-	-
61	4 X 24 Wt. T5 Full fitting W/L	-	-
62	Regular Electronic Ballast- Model No. BJHF 236P	226	98
63	18Wt. C.F.L. Lamp ( Pin type)	232	16
64	Cement Pole 9mtrs.	-	-
65	Cement Pole 7mtrs.	-	-
66	Wall Fan	-	-
67	LED Bulb (Pin type)	-	-
68	Angle Holder	255	17
69	7 MTR G.I. OCTAGONAL POLE , TOP DIA 70, BOTTOM : 130, BASE PLATE 200x200x12, THICK : 3MM, The octagonal poles shall be hot dip galvanized in single dip as per BS EN ISO 1461.	262	-
70	8 MTR G.I. OCTAGONAL POLE , TOP DIA 70, BOTTOM : 130, BASE PLATE 200x200x16, THICK : 3MM, The octagonal poles shall be hot dip galvanized in single dip as per BS EN ISO 1461.	168	-

71	90WATT LED STREET LIGHT (Bajaj Endura)	232	16
72	60WATT LED STREET LIGHT	274	-
73	160WATT FLOOD LIGHT	-	-
74	60WATT FLOOD LIGHT	-	-
75	1500MM SINGLE ARM (Bracket 48 dia)	296	-
76	1500MM DOUBLE ARM		-
77	3 / 4 WAY BRACKET FOR STREET LIGHT	-	-
78	OPEN FOUNDATION WITH NUT BOLTS, CEMENT, CHIEPS, BRICKS etc including pole installation & erection. (RCC)	-	-
79	10.0sqmm X 2 Core Aluminum Armoured Cable with 32mm HDPE Pipe laying including laying chargers.(mtr_	315	1250
80	1.0sqmm X 3 Core Cupper Flexible Wire .	320	-
81	Proof Automatic Penal Board for Street lighting.	326	-
82	<b>D.P.Switch</b>	-	-
83	300 MPR Kit Kat	-	-

**PARA: 7 INVESTMENT**

Nilgiri N.A.C. - 2016-2017

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

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

There is no investment made by N.A.C during the close of audit i.e 2016-17.Hence the executive is advised to keep maintain for investment to get better rate of interest .

**PARA: 8 ADVANCE**

Nilgiri N.A.C. - 2016-2017

Sno	Advance Outstanding as on (DD MM YYYY)	Cashbook Name	Advance Outstanding (In Rs:)	Advance Paid during the Year under Audit(In Rs:)	Total(In Rs:)	Advance adjusted during the Year under Audit(In Rs:)	Advance Outstanding as per (DD MM YYYY) Audit	Advance Outstanding Audit (In Rs:)	Advance Outstanding as per (DD MM YYYY) Cash Book	Advance Outstanding Cash Book(In Rs:)	Difference (In Rs:)	Remarks
1	01-04-2016	ALL CASH BOOK	73900.00	306000.00	379900.00	293000.00	31-03-2017	86900.00	31-03-2017	86900.00	0.00	
	<b>GRAND TOTAL</b>		<b>73900.00</b>	<b>306000.00</b>	<b>379900.00</b>	<b>293000.00</b>		<b>86900.00</b>		<b>86900.00</b>	<b>0.00</b>	

**Comments :**

**STATEMENT SHOWING THE DETAILS OF OUTSTANDING ADVANCE FOR THE YEAR 2016-17(NOT SURCHARGE ABLE)**

As per Rule-136 to 140 of the OM rules and instructions of the finance Deptt. , all money advanced to the contractors or other individuals required to be promptly adjusted within one month from the date of disbursement by submitting detailed accounts and refunding balances, if any . A second advance of any work was also not be granted until / unless the first advance had been accounted for. Further rule -14 of OGFR envisages that every officer whose duties to render accounts on returns in respect of public money is responsible for their completeness and strict accuracy.

A total sum of RS. 306000.00 was paid during the year 2016-17,only a sum of RS. 68500.00 was not adjusted till the end of the year i.e 31.03.2017. The details of RS.68500.00 have been furnished below.The Municipality authority is requested to adjust the same and compliance reported to audit,till its adjustment a total sum of RS. 685000.00 is held under objection. In response to the audit objection memo 08/06..05.2017 stated that steps were being taken to adjust the advance and subsequently the following advance adjusted from there salary bills during the financial year 2017-18 and which will shown in next audit.

SI.No.	Name and Designation	Advance Paid Vr.No & date	Purpose of Advance paid	Advance Paid during 2016-17(in Rs)	Adjustment Vr. No & date	Amount adjusted during 2016-17	Outstanding Advance as on 31.03.17	Advance sanctioning Authority	Advance Ledger Page
1	MANOJ KUMAR DAS,AMIN	239/2.07.2016	CAR FESTIVAL	35000.00	640/26.10.2016	35000.00	0.00	AJAY KUMAR MOHAPATRA,E.O	5
		407/25.08.2016	LSG FESTVAL	50000.00	641/26.10.2016	50000.00	0.00		6
		1018/28.03.2017	JALACHATRA	6000.00			6000.00		6
2	KARTIKESWAR DHAL	188/13.06.2016	SALARY	30000.00	2.02.2017	30000.00	0.00		7
		579/6.10.2016	FA	15000.00	646/1.11.2016,	7500.00	7500.00		7
3	SARAT CHANDRA SAHANI,SWEEPER	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00		9
4	DEBENDRA DAS BABU,PEON	212/29.06.2016	COURT FEE	5000.00			5000.00		15
5	ANADI MAHAL,PEON	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00		17
6	ANANTA SETHI,WATCHMAN	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00		19
7	MAHENDRA PRUSTY,TC	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00		21

8	MAHENDRA PRUSTY,TC	298/26.07.2016	SALARY	20000.00	931/1.03.2017	20000.00	0.00	21
9	NARENDRA GOCHAYAT,T.C	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00	23
10	SATYANARAYAN RANA,LIGHTER	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00	25
11	GAJENDRA MUKHI,SWEEPER	579/6.10.2016	FA	10000.00	931/1.03.2017	5000.00	5000.00	29
12	RAJENDRA BEHERA,SWEEPER	579/6.10.2016	FA	10000.00	931/6.10.2016	5000.00	5000.00	31
12	RUKMINI MUKHI,SWEEPER	579/6.10.2016	FA	10000.00	931/6.10.2016	5000.00	5000.00	33
14	MANAGOVIND SING,TRACTOR DRIVER	579/6.10.2016	FA	10000.00	931/6.10.2016	5000.00	5000.00	35
15	SUSANTA KUMAR BEHERA,JE	578/6.10.2016	REPAIR OF ROAD	15000.00	684/10.11.2016/2580/31.03.2017	15000.00	0.00	43
		577/6.10.2016	REPAIR OF MANDAP	15000.00	685/10.11.2016/2580/31.03.2017	15000.00	0.00	43
		742/7.12.2016	EVICTON OF ROAD	15000.00	790/21.12.2016	15000.00	0.00	43
				<b>306000.00</b>		<b>237500.00</b>	<b>68500.00</b>	

**Advance paid during 2015-16 but not adjusted till 31.03.2017(surchageable)**

As per Finance Deptt. G.O. No.2221/F ,Dt.08.03.2002 and subsequent order No.15179/Dt.28.09.2013 of Director of Local Fund Audit,Bhubaneswar any advances outstanding for more than a year will be treated as a loss to the institution and also to the Govt. and suggested for recovery from the persons held responsible for such loss.Therefore the amount of Rs. **7500.00** is treated as a loss to the Municipality. And also to the Govt. and suggested for recovery from the following persons.

Sl.No.	Name and Designation	Advance Paid Vr.No & date	Purpose of Advance paid	Advance Paid during 2016-17(in Rs)	Adjustment Vr. No & date	Amount adjusted during 2016-17	Outstanding Advance as on 31.03.17	Advance sanctioning Authority
1	Manas Ranjan Panda,Jr. Asst	29/20.4.15	GIS Advance	7500		0.00	7500	Er.Prafulla Kumar Nayak,E.O.
			<b>TOTAL</b>				<b>7500.00</b>	

**Details of outstanding of advance as on 31.03.2017 is furnished below.**

Sl. No	Name & Designation of the Advance Holder.	Vr. No./Date of Payment of Advance	Advance Outstanding			Purpose of Advance	Name & Designation of Sanctioning Authority
			For more than one year	Less Than year	Total		
1	MANOJ KUMAR DAS,AMIN	1018/28.03.2017		6000	6000	Jala Chhatra	Ajay Kumar Mohapatra, E.O.
2	Kartikesxwasr Dhal	579/6.10.16		7500	7500	Festival Adv.	Ajay Kumar Mohapatra, E.O.
3	Sarat Ch. Sahani, Sweeper	579/6.10.16		5000	5000	Festival Adv.	Ajay Kumar Mohapatra, E.O.
4	Debendra Dasbabu, Peon	212/29.6.16		5000	5000	Court Fee	Ajay Kumar Mohapatra, E.O.
5	Anadi Mahal, Peon	579/6.10.16		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
6	Ananta Sethi, W.M	579/6.10.16		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
7	Mahendra Prusti, T.C	579/6.10.16		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
9	NARENDRA GOCHAYAT,T.C	579/6.10.2016		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
10	SATYANARAYAN RANA,LIGHTER	579/6.10.2016		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.

11	GAJENDRA MUKHI,SWEEPER	579/6.10.2016		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
12	RAJENDRA BEHERA,SWEEPER	579/6.10.2016		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
12	RUKMINI MUKHI,SWEEPER	579/6.10.2016		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
14	MANAGOVIND SING,TRACTOR DRIVER	579/6.10.2016		5000	5000	F.A	Ajay Kumar Mohapatra, E.O.
15	Manas Ranjan Panda, Jr. Asst.	29/20.4.15	7500		7500	GIS, Advance	Er. Prafulla Ku. Nayak, E.O
			7500.00	68500.00	76000.00		

Details of old outstanding advance as follows.

Sl.No.	Name and Designation	Advance Paid Vr.No & date	Purpose of Advance paid	Advance Paid during 2016-17(in Rs)	Adjustment Vr. No & date	Amount adjusted during 2016-17	Outstanding Advance as on 31.03.17	Advance sanctioning Authority	Year
1	Manas Ranjan Panda, Jr. Asst	29/20.4.15	GIS Advance	7500		0.00	7500	Er.Prafulla Kumar Nayak,E.O.	2015-16
			<b>TOTAL</b>						
1	<b>Unclassified Advance</b>	<b>Prior to 11-12</b>		0		<b>0.00</b>	<b>5900</b>		<b>Prior to 2011-12</b>
5	Santosh Kumar Pani,Jr. Asst.	257/29.10.13	Salary Advance	5000		0.00	5000		2013-14

Year wise break up of advance is furnished below.

PRIOR TO 2011-12	5900.00
2013-14	5000.00
2014-15	0.00
2015-16	7500.00
2016-17	68500.00
<b>TOTAL</b>	<b>86900.00</b>

In response to the audit objection memo page no.08/6.05.2017 for non adjustment of advance the local authority stated that same was adjusted during the financial year 2017-18.

**PARA: 9 GRANTS**

Nilgiri N.A.C. - 2016-2017

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	01-04-2016	99113485.00	57433812.00	156547297.00	60342941.00	31-03-2017	96204356.00	
	<b>GRAND TOTAL</b>	<b>99113485.00</b>	<b>57433812.00</b>	<b>156547297.00</b>	<b>60342941.00</b>		<b>96204356.00</b>	

**Comments :**

As per Section 170 & 171 of O.G.F.R Vol-I Grants to be utilized within one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the **financial** year. However, except in respect of sanctions, which require the entire grant to be utilized during a **financial** year, only so much of the grant should be paid during the financial year as is likely to be expended during that year but the amount remaining unspent at the end of the year need not be refunded at the close of the financial year. Immediately on the expiry of the period of one year from the date of sanction any unspent balance out of the grant should be duly surrendered to Government. In respect of sanctions which require the grant to be utilized during a financial year ,the unspent balance thereof should be surrendered to Government at the end of the financial year or may be adjusted by the sanctioning authority against the next year's grant. On verification of audit it is found that this Municipality . failed to utilize grant amount of Rs. 96204356.00 for 2016-17 so it was not possible on behalf of audit to find out whether the unspent balance is refunded to Government or not . Hence, the attention of the higher authorities is drawn to utilize the grant within due time and surrender the balance to Government Account.

The local authority furnished no compliance regarding the year wise break up of unspent grants. Besides this, the last audit report is silent regarding the above matter. So it was not possible on part of present audit to furnish year-wise break up of unspent grants.

An objection memo bearing no 17 with date 11.05.2017 was issued seeking for the reason of non-utilization of Government Grants and year-wise break up of the unspent balances as on 31.03.2017. In response to the memo the local authority stated that the amount of unspent grants under various schemes is due to receipt on last week of the financial year as well as delay in council approval for execution of works . However, all the projects under unspent grants have been completed and or likely to be completed and accordingly the amounts of unspent grants have been spent.

The local authority fails to furnished the regarding the year wise break up of unspent grants by the local authority in response to our memo.. Besides this, the last audit report is also raised regarding the above matter.So it was not possible on part of present audit to furnish year-wise break up of unspent grants up to 2015-16.

As per DLFA letter no.6119/DLFA/17.05.2017 the local authority produced the current year unutilized Grant relating to the current year 2016-17 was produced.However it is not possible to trace out the unutilized grant up to 2015-16 due to non availability of year wise break up in last and previous audit report as well as at the local authority .

SL.NO	NAME OF THE GRANT	UNUTILISED GRANT RELATING TO THE YEAR (OF RECEIPT)			REMARKS
		2016-17	UPTO 2015-16	TOTAL	
1	2	3	4	5	6
1	Octroi Compensation (March, 15 to May, 15)	0.00		0.00	
2	Roads & Brideges(R&B)	1417743		1417743.00	
3	R.D.Grant (GENERAL)	1834695.00		1834695.00	
4	NRB Grant	316000.00		316000.00	
5	M.V.Tax Grant	321000.00		321000.00	

6	Conservation of Water Bodies	1000000.00		1000000.00	
7	Devolution Fund	1873635.00		1873635.00	
8	14th. Finance Basic Grant	5163348.00		5163348.00	
9	ODISHA URBAN LIVE HOODS MISSION (OULM) Committed liabilities	0.00		0.00	
10	DAY-NULM	0.00		0.00	
11	HONORIUM, SITTING FEES, T.A./D.A. ETC.	45000.00		45000.00	
12	COMPENSSION FOR ARREAR PENSION & BASIC SERVICE	0		0.00	
13	4th. S F C	1417000		1417000.00	
14	Grants balance upto 2015-16(unclassified)		82815935.00	82815935.00	local authority fails to produce the yearwise grants
		13388421.00	82815935.00	96204356.00	



**PARA: 10 UTILISATION CERTIFICATE**

Nilgiri N.A.C. - 2016-2017

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	01-04-2016	170054760.00	57433812.00	227488572.00	50275727.00	31-03-2017	177212845.00	
	<b>GRAND TOTAL</b>	<b>170054760.00</b>	<b>0.00</b>	<b>227488572.00</b>	<b>50275727.00</b>		<b>177212845.00</b>	

**Comments :**

DETAILS OF U.C SUBMITTED DURING THE YEAR 2016-17 AS FOLLOWS.

Year	Name of the Grant	G.O.No. & Date	T.V.No. & Date	Amount	Maching Share	Total	U.C. Submitted	DUDA letter No. & Date
							Amount	
15-16	Octroi Compensation (Sept.,15 to Nov.,15)	26696/HUD 09.10.2015	04/ 28.11.15	<b>2884000.00</b>	<b>0.00</b>	<b>2884000.00</b>	2884000.00	650/ 12.09.16
15-16	Octroi Compensation (Dec.,15 to Feb.,16)	5260/HUD 25.02.2016	15/ 11.03.16	<b>2346000.00</b>	<b>0.00</b>	<b>2346000.00</b>	2346000.00	650/ 12.09.16
16-17	Octroi Compensation (March,15 to May,15)	11013/HUD 06.05.2016	02/ 02.06.16	<b>2164000.00</b>	<b>0.00</b>	<b>2164000.00</b>	2164000.00	830/06.03.17
16-17	Octroi Compensation	16216/HUD 04.07.16	01/ 29.07.16	<b>4328000.00</b>	<b>0.00</b>	<b>4328000.00</b>	4328000.00	830/06.03.17

	(June,15 to August,15)							
14-15	13th.F.C. R&B	7344/HUD dt. 04.03.15	03/ 12.03.15	<b>901000.00</b>	<b>0.00</b>	<b>901000.00</b>	901000.00	701/25.10.16
14-15	Roads & Brideges(R&B)	4751/HUD 12.02.15	21/ 28.02.15	<b>3000000.00</b>	<b>0.00</b>	<b>3000000.00</b>	1097077.00	645/12.09.16 701/25.10.16
15-16	Roads & Brideges(R&B)	31853/HUD 11.12.2015	03/ 31.12.15	<b>1977000.00</b>	<b>0.00</b>	<b>1977000.00</b>	1977000.00	701/25.10.16 790/17.01.17 <b>504/15.04.17</b>
14-15	13th.F.C. General Basic	14916/HUD 25.07.14	On line	<b>1146000.00</b>	<b>0.00</b>	<b>1146000.00</b>	617690.00	701/25.10.16
14-15	13th.F.C. General Basic	6908/HUD 28.02.15	On line	<b>1359000.00</b>	<b>0.00</b>	<b>1359000.00</b>	112564.00	645/ 12.09.16
14-15	R.D.(TASP)	127/HUD 01.01.15	03/ 02.02.15	<b>203000.00</b>	<b>22555.00</b>	<b>225555.00</b>	135555.00	644/12.09.16 705/ 25.10.16
14-15	R.D.(TASP)	1999/HUD 20.01.15	12/ 11.02.15	<b>657000.00</b>	<b>73000.00</b>	<b>730000.00</b>	652000.00	644/12.09.16 705/25.10.16 776/ 16.01.17
14-15	R.D.(SCP)	130/HUD 01.01.15	04/ 02.02.15	<b>152000.00</b>	<b>16888.00</b>	<b>168888.00</b>	6835.00	705/ 25.10.16

14-15	R.D.(SCP)	1996/HUD 20.01.15	14/ 11.02.15	<b>491000.00</b>	<b>54555.00</b>	<b>545555.00</b>	91481.00	705/ 25.10.16 776/16.01.17
14-15	R.D.(General)	133/HUD 01.01.15	05/ 02.02.15	<b>564000.00</b>	<b>62666.00</b>	<b>626666.00</b>	167666.00	644/12.09.16 705/25.10.16 776/ 16.01.17
14-15	R.D.(General)	2021/HUD 20.01.15	13/ 11.02.15	<b>1821000.00</b>	<b>202333.00</b>	<b>2023333.00</b>	600480.00	644/12.09.16 776/ 16.01.17
15-16	R.D.Grant (TSP)	17359/HUD 09.07.2015	04/ 01.08.15	<b>147000.00</b>	<b>16333.00</b>	<b>163333.00</b>	163333.00	644/12.09.16
15-16	R.D.Grant (TSP)	4352/HUD 20.02.2016	02/ 04.03.16	<b>150000.00</b>	<b>16667.00</b>	<b>166667.00</b>	166667.00	705/25.10.16 776/16.01.17
15-16	R.D.Grant (SCP)	17356/HUD 09.07.2015	02/ 01.08.15	<b>110000.00</b>	<b>12222.00</b>	<b>122222.00</b>	122222.00	644/DUDA 12.09.16
15-16	R.D.Grant (SCP)	4355/HUD 20.02.2016	05/ 04.03.16	<b>112000.00</b>	<b>12444.00</b>	<b>124444.00</b>	124444.00	776/16.01.17
15-16	R.D.Grant (GENERAL)	17353/HUD 09.07.2015	04/ 01.08.15	<b>408000.00</b>	<b>45333.00</b>	<b>453333.00</b>	453333.00	644/12.09.16 705/25.10.16 776/16.01.17
15-16	R.D.Grant (GENERAL)	4358/HUD 20.02.2016	02/ 04.03.16	<b>415000.00</b>	<b>46111.00</b>	<b>461111.00</b>	151740.00	776/16.01.17

14-15	FESTIVAL GRANT	27747/HUD 27.12.14	01/ 02.02.15	<b>50000.00</b>	<b>0.00</b>	<b>50000.00</b>	50000.00	713/ 25.10.16
14-15	NRB Grant	1991/HUD 20.01.15	24/ 11.02.15	<b>400000.00</b>	<b>0.00</b>	<b>400000.00</b>	400000.00	649/12.09.16 711/25.10.16
14-15	M.V.Tax Grant	3820/HUD 06.02.15	12/ 28.02.15	<b>526000.00</b>	<b>0.00</b>	<b>526000.00</b>	150066.00	660/12.09.16
15-16	M.V.Tax Grant	20029/HUD 07.08.2015	02/ 01.09.15	<b>577000.00</b>		<b>577000.00</b>	577000.00	660/12.09.16
15-16	M.V.Tax Grant	5203/HUD 25.02.2016	22/ 14.03.16	<b>591000.00</b>		<b>591000.00</b>	591000.00	660/12.09.16 709/25.10.16
16-17	M.V.Tax Grant	24517/HUD 18.10.16	02/ 03.11.16	<b>637000.00</b>	<b>0.00</b>	<b>637000.00</b>	637000.00	788/16.01.17
14-15	SWM (TASP)	5986/HUD 25.02.15	02/ 12.03.15	<b>108234.00</b>	<b>0.00</b>	<b>108234.00</b>	32783.00	744/ 16.01.17
14-15	Conservation of Water Bodies	6067/HUD 25.02.15	05/ 12.03.15	<b>245000.00</b>	<b>0.00</b>	<b>245000.00</b>	208274.00	647/12.09.16 715/25.10.16
14-15	Conservation of Water Bodies	6070/HUD 25.02.15	03/ 12.03.15	<b>342000.00</b>	<b>0.00</b>	<b>342000.00</b>	290734.00	647/12.09.16 715/25.10.16
14-15	Conservation of Water Bodies	6064/ HUD 25.02.15	06/ 12.03.15	<b>913000.00</b>	<b>0.00</b>	<b>913000.00</b>	650232.00	647/12.09.16

14-15	Devolution Fund	22518/HUD 11.11.14	07/24.12.14	<b>2840000.00</b>	<b>0.00</b>	<b>2840000.00</b>	1719181.00	658/12.09.16 720/25.10.16 784/16.01.17
15-16	Devolution Fund	20045/HUD 07.08.2015	01/ 01.09.15	<b>2375000.00</b>	<b>0.00</b>	<b>2375000.00</b>	1135367.00	720/15.10.16 784/16.01.17
15-16	Devolution Fund	5275/HUD 25.02.2016	23/ 14.03.16	<b>2376000.00</b>	<b>0.00</b>	<b>2376000.00</b>	2125209.00	658/12.09.16 784/16.01.17
16-17	Devolution Fund	16234/HUD 04.07.16	03/ 10.08.16	<b>2384000.00</b>	<b>0.00</b>	<b>2384000.00</b>	2384000.00	784/16.01.17
14-15	PENSION	19758/HUD 30.09.14	On line	<b>18000.00</b>	<b>0.00</b>	<b>18000.00</b>	18000.00	832/06.03.17
15-16	Pension	10854/HUD 20.04.2015	Online	<b>20000.00</b>	<b>0.00</b>	<b>20000.00</b>	20000.00	832/16.03.17
15-16	Pension	8296/HUD 31.03.2016	Online	<b>800000.00</b>	<b>0.00</b>	<b>800000.00</b>	800000.00	832/16.03.17
15-16	14th. Finance Basic Grant	19466/HUD 03.08.2015	Online	<b>2442000.00</b>	<b>0.00</b>	<b>2442000.00</b>	2042422.00	654/12.09.16 780/16.01.17
15-16	14th. Finance Basic Grant	32245/HUD 16.12.2015	Online	<b>2353000.00</b>	<b>0.00</b>	<b>2353000.00</b>	2037073.00	654/12.09.16 703/25.10.16 780/16.01.17

16-17	14th. Finance Basic Grant	17980/HUD 25.07.16	On line	<b>3350000.00</b>	<b>0.00</b>	<b>3350000.00</b>	1498000.00	780/16.01.17
15-16	<b>ODISHA URBAN LIVE HOODS MISSION (OULM) Committed liabilities</b>	18976/HUD 29.07.15	On line	<b>929000.00</b>	<b>0.00</b>	<b>929000.00</b>	929000.00	641/12.09.16 759/24.12.16
16-17	<b>ODISHA URBAN LIVE HOODS MISSION (OULM) Committed liabilities</b>	2099/SUDA 2.11.16	On line	<b>200499.00</b>	<b>0.00</b>	<b>200499.00</b>	200499.00	759/24.12.16
15-16	SWACHA BHARAT MISSION	19866/HUD 07.08.2015	Online	<b>3043863.00</b>	<b>0.00</b>	<b>3043863.00</b>	2415800.00	717/25.10.16 770/16.01.17
15-16	PERFORMED BASED INCENTIVE GRANT FOR( 2014-15)	29463/HUD 16.11.2015	Online	<b>1569000.00</b>	<b>0.00</b>	<b>1569000.00</b>	1569000.00	656/ 12.09.16

15-16	HONORIUM, SITTING FEES, T.A./D.A. ETC.	4329/HUD 20.02.2016	03/ 04.03.16	<b>55000.00</b>	<b>0.00</b>	<b>55000.00</b>	55000.00	707/25.10.16
15-16	COMPENSSION FOR ARREAR PENSION & BASIC SERVICE	4342/HUD 20.02.16	04/ 04.03.16	<b>6727000.00</b>	<b>0.00</b>	<b>6727000.00</b>	6727000.00	699/25.10.16 832/06.03.17
16-17	COMPENSSION FOR ARREAR PENSION & BASIC SERVICE	29625/HUD 19.12.16	02/ 18.01.17	<b>1292000.00</b>	<b>0.00</b>	<b>1292000.00</b>	1292000.00	832/06.03.17
15-16	4th. S F C	5234/HUD 25.02.2016	28/ 04.03.16	<b>458000.00</b>	<b>0.00</b>	<b>458000.00</b>	458000.00	786/16.01.17
	<b>Total</b>			<b>62956596.00</b>	<b>581107.00</b>	<b>63537703.00</b>	<b>50275727.00</b>	

YEAR WISE break up of outstanding U.C.s as on 31.3.2017

YEAR	AMOUNT

2014-15	110729126.00
2015-16	21553406.00
2016-17	44930313.00
TOTAL	177212845.00

**Year wise break up of Pending U.Cs submitted as on 31.3.2017 is furnished below.**

YEAR	AMOUNT
2016-17	12503499.00
2015-16	29870610.00
PRIOR TO 2014-15	7901618.00
TOTAL	50275727.00

As per Rule-171 of the Odisha General Financial Rules (O.G.F.R.-Vol-I) and instructions contained in the sanction orders, scheme funds were to be utilized in the year of receipt. Un-utilized fund, if any may either be refunded to the Govt. or utilized in subsequent year with prior approval of the Govt. As per provisions contained in Rule-173 of O.G.F.R-(Vol-I) Utilization Certificate(U.C) is to be submitted to proper quarter by 30<sup>th</sup> June of subsequent year of release of fund.

On Scrutiny of records in respect of U.C. disclosed that U.C amounting to Rs 177212845.00 is pending for submission at the end of the year .Hence the present E.O. of the N.A.C is advised to submit pending U.C to proper quarter and compliance reported to audit.

**Non-maintenance of U.C register.**

As per Section 170 & 171 of OGFR Vol-I Grants to be utilized within one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the financial year. How ever, except in respect of sanctions, which require the entire grant to be utilized during a financial year, only so much of the grant should be paid during the financial year as is likely to be expended during that year but the amount remaining unspent at the end of the year need not be refunded at the close of the financial year. Immediately on the expiry of the period of one year from the date of sanction any unspent balance out of the grant should be duly surrendered to Government .In respect of sanctions which require the grant to be utilized during a financial year ,the unspent balance thereof should be surrendered to Government at the end of the financial year & U.C. should be submitted in Form-OGFR-7A by 30th June of subsequent year to the funding authority as well as to the Principal Accountant General (A&E) Odisha. . But this NAC . failed to submit utilisation certificate amounting to Rs. 177212845.00 for 2016-17. Hence, the present E.O. of the NAC is advised to submit pending UC to proper quarter and compliance reported to audit.

In response to the audit objection memo no 17/11.05.2017 was called for huge outstanding amount for submission of u.c alongwith yearwise break up as on 31.03.2017 may be produced to audit.The present executive officer stated that steps would be taken to clear the pendency U.C and grants have been received at fag end of the year .However basing on the figures available in last audit report the year wise break up of pending u.cs has been furnished



**PARA: 11 MISAPPROPRIATION & DEFALCATION**

**11.1 - OSP 6-8**

**Non- credit of cash to DCR from Holding Tax receipt book.**

During the course of audit a sum of RS.852.00 is non credit to DCR as well as Cashier's cash book from Holding Tax receipt books as given below which is not admissible in audit and needs recovery from the persons concerned and compliance reported to audit. The details are given below.

**Amount Less taken to DCR**

Sl.No	Book No.	MR No.	Date	Holding No.	Amount collected	Amount taken to DCR	Difference	DCR Page No	Responsible Person
1	21	2015	4.10.16	54A	526.00	500.00	26.00	10	K. Dhal
2	22	2123	22.11.16	162	162.00	0.00	162.00	16	K. Dhal
3	22	2138	30.11.16	110	271.00	27.00	244.00	17	K. Dhal
<b>TOTAL</b>					<b>959.00</b>	<b>527.00</b>	<b>432.00</b>		

In response to the audit objection memo the amount was realized from k.dhal,t.c vide M.R NO.2594/4.05.2017 and credited to the cash book.

**Amount less collection as against the DCB-**

Sl.No	Book No.	MR No.	Date	Holding No.	Demand	Amount Collected	Difference	Responsible Person
1	28	2758	14.2.17	42	223	209	14	k. Dhal
2	28	2787	16.2.17	36	300	270	30	k. Dhal
3	27	2633	8.2.17	44	50	40	10	k.dhal
<b>TOTAL</b>					<b>573.00</b>	<b>519.00</b>	<b>54.00</b>	

In response to the audit objection memo the amount was realized from k.dhal,t.c vide M.R NO.2594/4.05.2017 and credited to the cash book.

**Less credit to Cashier Case Book due to totalling mistake in DCR**

Sl.No	Date of collection	Kind of Task	MR.No	Amount as per Audit	Amount as per DCR	Difference Amount	DCR page No	Responsible Person
1	9.5.16/11.5.16/13.5.16	H.Tax	1792-1794/ 1797-1800/ 1648-1651/ 1652-1655	4941	4921	20	2&3	K. Dhal

230.5.16	H.Tax	1916-1936	3761	3720	41	4	K. Dhal	
32.8.16	H.Tax	1961-1963	1261	1259	2	6	K. Dhal	
421.11.16	H.Tax	2101-2126	1924	1912	12	16	K. Dhal	
515.12.16	H.Tax	2232-2296	8493	9487	6	21,22,23	K. Dhal	
		<b>TOTAL</b>	<b>20380.00</b>	<b>21299.00</b>	<b>81.00</b>			

In response to the audit objection memo the amount was realized from k.dhal,t.c vide M.R NO.2594/4.05.2017 and credited to the cash book.

**Less Credit to Cashier Case Book due to Non-Calculation in DCR**

SL.NO	DATE	PARTICULARS	RECEIPT NO	AMOUNT COLLECTED	TAKE N TO DCR	LESS	PAGE NO	NAME
1	20.3.17	H.Tax	3201-3202	285	0	285	66	K.Dhal
		<b>TOTAL</b>		<b>285</b>	<b>0</b>	<b>285</b>		

In response to the audit objection memo the amount was realized from k.dhal,t.c vide M.R NO.2594/4.05.2017 and credited to the cash book.

**11.2 - osp 22-24**
**Non credit of cash from money receipt in DCR & Cashier Cash Book**

During the course of audit a sum of RS. 17910.00 is non credit to DCR as well as Cashier's cash book from miscellaneous books as given below on different dates which is not admissible in audit and needs recovery from the persons concerned and compliance reported to audit. The details are given below.

Sl.No	Book No./MR No.	Date	Amount found in Money Receipt	Amount found in DCR	Amount found in Cashier Cash Book	Difference	Responsible Person
	141/4067-4073	up to 31.3.17	2550	0	0	2550	K. Dhal
					<b>Total</b>	<b>2550.00</b>	

**Amount collected shown in DCR but not deposited to Cashier Cash Book**

Sl.No	Book No./MR No.	Date	Total Amount as per Audit	Amount in Cashier Cash Book	Difference	DCR Page No.	Responsible Person
	141/4021-4039	18.1.17	3790	0	3790	173	K. Dhal
	241/4040-4066	30.2.17	2400	0	2400	175	K. Dhal
				<b>Total</b>	<b>6190.00</b>		

**Less Credit to Cashier Cash Book by tampering actual than the collection in DCR.**

Sl.No	Book No./ MR No.	Date	Total Amount as per Audit	Received shown by Cashier	Difference	DCR Page No.	Responsible Person
	193/9285-9299	27.9.16	8045	0			
	133/3249-3251	26.9.16	7912	0			
			<b>15957</b>	10957	5000	161	M. Das
				<b>Total</b>	<b>5000.00</b>		

**Loss of NAC Fund due to totalling mistake in Miscellaneous DCR**

Sl.No	Book No./MR No.	Date	Amount as per DCR	Amount taken to DCR	Difference	DCR Page No.	Responsible Person
1	20/1923-1932	22.11.16	15870	15670	200	168	K. Dhal

2	20/1933-1950	30.1.17	35785	35750	35	175	K. Dhal
			<b>Total</b>		<b>235.00</b>		

Amount Less taken to DCR from Misc. receipt book

Sl.No	Book No./MR No.	Date	Amount as per MR BOOK	Amount taken to DCR	Difference	DCR Page No.	Responsible Person
1	98/2717	6.7.16	30	10	20	146	K. Dhal
2	93/9297	25.8.16	300	200	100	161	K. Dhal
3	20/1925	22.1.17	<b>2015</b>	<b>200</b>	1815	168	K. Dhal
4	20/1950	30.1.17	1590	590	1000	175	
5	20/1957	5.2.17	1590	590	1000	176	
			<b>Total</b>		<b>3935.00</b>		

In response to the audit objection memo the amount was realized from sri k.dhal,T.C VIDE M.R.NO. 2598/8.05.2017 and credited to cash book.

### 11.3 - osp 25-26

#### Parking Fee

##### Less Credit from parking fee MR to its DCR.

During the course of audit a sum of RS. 1840.00 is non credit to DCR as well as Cashier's cash book from parking fee books as given below on different dates which is not admissible in audit and needs recovery from the persons concerned and compliance reported to audit. The details are given below.

Sl.No	Book No./MR No.	Date	Actual Amount as per Audit	Amount found in DCR	Difference	DCR pa. No	Responsible Person
	137/3685-3700	13.11.16	16x10=160	150	10	95	M. Prusti
	238/3731	18.11.16	1x10=10	0	10	92	M. Prusti
			<b>Total</b>		<b>20</b>		

Parking Fee amount found in DCR, but not credited to Cashier Cash Book.

Sl.No	Book No./MR No.	Collection Date	Actual Amount as per Audit	Amount Received by Cashier	Amount found in Cashier Case Book	Difference	Responsible Person

126/2517-2595	15.6.16 to 20.6.16	890	890	0	890	M.Das, Cashier
243/4293-4300 / 4301-4363	14.1.17 to 18.1.17	710	710	0	710	M.Das, Cashier
341/4079-4100	27.12.16	220	0	0	220	M. Prusti
					<b>Total</b>	<b>1820.00</b>

In response to the audit objection memo the amount was realized from M.prusti,T.C Vide M.R NO.2596/8.05.2017 of RS.240.00 AND From sri Manoj kumar das,cashier vide M.R.NO. 2595/8.05.2017 and credited to cash book.

**11.4 - osp-35-36**

**Excess payment-**

During the course of audit it is noticed that a sum of Rs. 4700.00 was excess paid on different months to the different beneficiaries under Nilagiri NAC for the year 2016-17.The details are given below.The same may be recovered from the person concerned and compliance reported to audit.

Sl.No	Name of the Scheme	Month	Total Nos of Paid beneficiaries as per Acquittance	Total Nos. Of paid Beneficiaries as per Audit	pension rate per head Per month	Amount disbursement shown as per Acquittance	Amount Disbursement found as per Audit	Difference	Reason	Responsible person
1	MBPY	Mar-16	990	985	300	297000.00	295500.00	1500.00	Sl. No 1,92 & 901 are absent but counted. Sl. No.345 paid without acknowledgement. Sl. No. 820 is over counted.	U.N. Das
2	IGNOAP/80-years	Aug-16	125	124	500	62500.00	62000.00	500.00	Sl.No.80 is absent but counted as present. Acq./R oll Pg. No. 77.	U.N. Das
3	MBPY	Oct. -16	1126	1125	300	337800.00	337500.00	300.00	Sl No. 556 paid without acknowledgement	U.N. Das
4	MBPY	Oct. -16	1153	1152	300	345900.00	345600.00	300.00	Sl.No.8 is absent and counted as payment	U.N. Das
5	MBPY	Nov-16	1152	1151	300	345600.00	345300.00	300.00	Sl.No.8 is absent and counted as payment	U.N. Das
6	MBPY	Dec-16	1141	1140	300	342300.00	342000.00	300.00	Sl.No.8 is absent and counted as payment	U.N. Das
7	MBPY	Jan-17	1138	1137	300	341400.00	341100.00	300.00	Sl.No.8 is absent	U.N. Das

									and counted as payment	
8	MBPY	Feb-17	1136	1134	300	340800.00	340200.00	600.00	SI.No.7&8 are absent and counted as payment	U.N. Das
9	ODP	Aug-16	143	142	300	42900.00	42600.00	300.00	SI.No. 135 is paid without acknowledgement	U.N. Das
10	ODP	Feb-17	140	139		42000.00	41700.00	300.00	SI.No.180 is absent and counted as payment	U.N. Das
					total	2498200.00	2493500.00	4700.00		

In response to the audit objection memo the amount was realized from Sri U.N.Das, vide M.R NO.4366/12.05.2017.Hence the para was dropped.

**11.5 -**

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

**12.1 -**

No comments

**PARA: 13 AUDIT OF RECEIPTS**

**13.1 -**

**D.C.B POSITION**

The Demand , Collection and Balance (D.C.B) position of Taxes and fees for the year 2016-17 have been furnished below. However, an abstract position of collection of different taxes is furnished below. It was noticed from the above table that the Tax collection achievement is very poor. The council may review the collection position periodically and strong action may be taken against the defaulters holding owners.

**Collection of taxes :**

The details of demand, collection and balance of Taxes, Room rent , Fees etc in respect of Nilagiri NAC for the year 2016-17 is furnished below

	Demand	Collection	Balance
--	--------	------------	---------

Sl. No	Head of account	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
1	Holding	216519.55	147404.00	363923.55	76077.00	110585.00	186662.00	140442.55	36819.00	177261.55
2	Light	129635.50	109363.00	238998.50	51769.00	85228.00	136997.00	77866.50	24135.00	102001.50
3	Water	150164.50	110270.00	260434.50	52170.00	84921.00	137091.00	97994.50	25349.00	123343.50
	SubTotal	496319.55	367037.00	863356.55	180016.00	280734.00	460750.00	316303.55	86303.00	402606.55
4	Shop room rent	255595.00	235255.00	490850.00	204294.00	161206.00	365500.00	51301.00	74049.00	125350.00
5	Sairat	24444.00	106721.00	131165.00		106721.00	106721.00	24444.00	0.00	24444.00
6	Licence fee	48796.00	30300.00	79096.00	7100.00	30300.00	37400.00	41696.00	0.00	41696.00
7	Parking fee	0.00	30150.00	30150.00	0.00	30150.00	30150.00	0.00		
	SubTotal	328835.00	402426.00	731261.00	211394.00	328377.00	539771.00	117441.00	74049.00	191490.00
	Grand Total	825154.55	769463.00	1594617.55	391410.00	609111.00	1000521.00	433744.55	160352.00	594096.55

It was noticed from the above table that the over all percentage of collection of holding tax, light tax and water tax against demand raised was 62.74 % in 2016-17 . The holding tax constitutes prime sources of municipal council but percentage of collection there of is very poor which shows the inefficiency and lack of proper monitoring skill of the local authority. The council may review the collection position periodically and strong action may be taken against the defaulters holding owners.

**13.2 -**
**Position of Certificate Case :-**

As per provision of section 169 of OM Act, if the executive officer of the municipality fails to realize by distress and sale, he may apply to the collector of the district for the recovery of the arrears of tax. Further as per section 170, the municipality may sue the person liable to pay the same in any court of competent jurisdiction. But audit found that neither any distress warrant was issued nor any civil suit was filed against the defaulters.

Hence the present E.O. is advised to look for the matter seriously

**13.3 -**
**Approved Building plan**

The position of building plans received and approved by the Municipality during the year 2016-17 is furnished below.

O.B	01
RECEIPTS DURING THE YEAR	33
TOTAL	34

APPROVED DURING THE YEAR	20
BALANCE	14

20 Nos new building has been assessed during the period covered under audit. Sincere steps need to be taken to watch out the progress of construction of building so as to impose tax on completion. The building plan is approved for construction of building for one year. Steps needs to be taken for quick assessment of holding tax just after completion of house.

**13.4 -**

**LAW SUITS**

During the financial year 2016-17, no law suits were initiated against the defaulter by the local authority. This encourages the default tax payers for non payment of taxes. Hence the E.O is advised to initiate the legal suit as required under the Act to increase the collection of taxes.

A register to the extent need be ensured to watch the position of default cases as well as legal suits for ready reference and taking up follow up action timely

**13.5 -**

**Irregularities.**

Non attestation of ( LTI)/ Laxity shown by the official while refunded the undisbursed OAP money.

On checking of the acquittance rolls of MBPY /NOAP/ODP Pensioners of Nilagiri NAC for the year 2016-17 , the following irregularities were noticed .

1- Attestation of Left thumb impression/ LTI has not been attested by the Disbursing officers while disbursing the pension, even in case disbursement of arrear payment of pension for more than 3 months.

2-Disbursement of pension amount to the payee under MBPY for a month with out proper acknowledgement of payment for the previous month.

3-laxity shown by some of the official while refunded the balance amount to the local authority after disbursement under the scheme for a month.

As per Govt guideline,no payment will be made for a month unless the acknowledgement has been obtained in respect of the payment for the previous month and a note to that effect is recorded in the register or till satisfactory proof is available that the money has been correctly paid to the pensioner for the previous month. After disbursement of pension the un disbursed OAP/MBPY/ODP amount will be refunded with in the drawal of money for the next month.

The above irregularities need be avoided henceforth, otherwise such laxity will be vived seriously.

On issue of audit objection memo the local authority is agreed to follow the guidance.

**13.6 -**

**Non-imposition of Drainage Tax :-**

It is found that the NAC has not imposed drainage tax in its area. To save the institution from the liabilities incurred due to expenditure towards payment to sweeper, the aforesaid taxes may be imposed in its area by approving resolution in council.



The present chairman as well as E.O. may take effective measures for imposition of drainage tax as early as possible and compliance reported

**13.7 - Yearwise breakup of D.C.BOSP -33**

The Yearwise breakup of D.C.B position as given below.

Year	Arrear	arrear collection	Balance	current	Total
87-88	240.55		240.55		240.55
88-89	701.00		701.00		701.00
89-90	657.00		657.00		657.00
90-91	1178.00		1178.00		1178.00
91-92	734.00		734.00		734.00
92-93	740.00		740.00		740.00
93-94	490.00		490.00		490.00
94-95	500.00		500.00		500.00
95-96	449.00		449.00		449.00
96-97	550.00		550.00		550.00
97-98	98.00		98.00		98.00
98-99	253.00		253.00		253.00
99-2000	2062.00		2062.00		2062.00
2000-01	4362.00		4362.00		4362.00
2001-02	4827.00		4827.00		4827.00
2002-03	15418.00		15418.00		15418.00
2003-04	18216.00		18216.00		18216.00
2004-05	8019.00		8019.00		8019.00
2005-06	33487.00		33487.00		33487.00
2006-07	43724.00		43724.00		43724.00
2007-08	24207.00		24207.00		24207.00
2008-09	2145.00		2145.00		2145.00
2009-10	38080.00	9421	28659.00		28659.00
2010-11	61926.00	40054	21872.00		21872.00
2011-12	66912.00	30587	36325.00		36325.00
2012-13	49416.00	30002	19414.00		19414.00
<b>2013-14</b>	<b>23681.00</b>	<b>9997</b>	<b>13684.00</b>		<b>13684.00</b>
2014-15	23818.00	9980	13838.00		13838.00
2015-16	69429.00	49975	19454.00		19454.00
<b>2016-17</b>	0.00		0.00	86303.00	86303.00
<b>Total</b>	<b>496319.55</b>	<b>180016</b>	<b>316303.55</b>	<b>86303.00</b>	<b>402606.55</b>

From the above table it is seen that Rs. 13684.00 has been time barred dues for the year 2013-14 under holding tax, light tax and water tax during the period 2016-17, Sri Ajay kumar Nayak, E.O is considered responsible.

Hence the executive officer may be advised to maintain the D.C.B register and produced to next audit.

**Responsible Person for this paragraph**

Sno	Name	Designation	Adress	Amount(In Rs:)
1	SRI AJAY KUMAR MOHAPATRA	EXECUTIVE OFFICER	NOW E.O AT NILAGIRI NAC, DIST-BALASORE	13684.00

**PARA: 14 AUDIT OF EXPENDITURE**
**14.1 -**

The staff position of NAC as on 1.04.2016-31.03.2017 as supplied to audit by the institution as follows.

Sl. No	Name of the post	Sanctioned Strength	Men in position	Vacant Remarks
1	Executive officer	1	1	0
2	SR. Assistant	1	0	1
3	Accountant	1	1	Fill up through service provider
4	Junior Engineer	1	1	0
5	JR. Assistant	1	1	0
6	Amin	1	1	0
7	Tax Collector	1	1	0
8	Peon	3	3	0
9	Sweeper	1	1	0
10	Worker sarkar	1	1	0
11	Community organiser	1	1	Contractual
12	Computer programmer	1	1	Contractual
	<b>Total</b>	<b>14</b>	<b>13</b>	<b>1</b>

**14.2 - osp 27**
**Excess payment in vouchers**

During the course of audit a sum of RS. 77.00 was excess paid towards hire charges of vehicle to vehicle owner, Actual on scrutiny of bill it is noticed that the monthly rent value Rs.14500.00 and fuel bill Rs.3510.00 comes to Rs.18010.00 as against Rs.18087.00 was paid as a result amount RS.77.00 was arise which is not admissible in audit and needs recovery from the persons concerned and compliance reported to audit. The details are given below.

vr no	date	Amount paid in bill	purpose	Actual as per audit	difference	To whom paid
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984.05.2016	18087.00	hire charges of vehicle	18010.00	77.00	SUCHISMITA PARICHHA
Total				77.00	

In response to the audit objection memo the amount was realized from sri s.parichha vide M.R.NO.2597/8.05.2017 and credited to cash book.

**14.3 - osp 17-19**

**Less realization of Income Tax from Advertisement Bills-**

On scrutiny of paid vouchers of cash book it is noticed that a sum of Rs. 2146.00 was excess paid due to non realization of income tax @2% on 107284.00 as calculated below towards Income Tax on the cost of advertisement bills which is suggested for recovery and the credit pointed out to audit. As per the section of 194C income tax rule says that TDS rates @2% should be deducted

.The details of such calculation is furnished below

Vr.no	date	amount	PURPOSE	TO WHOM	persons responsible.
832	05.2016	700.00	ADVERTISEMEN T BILL	Tilak raj publication(p) ltd.BBSR	prafulla kumar nayak,EX-E.O
14223	23.05.2016	1500.00	E-TENDER	PRAGATIVADI,BBSR	prafulla kumar nayak,EX-E.O
1799	06.2016	1500.00	E-TENDER	SRUTI,BBSR	prafulla kumar nayak,EX-E.O
21829	06.2016	2000.00	ADVERTISEMEN T BILL OF PMAY	THE PRAJATANTRA,BBSR	prafulla kumar nayak,EX-E.O
21929	06.2016	10000.00	FOR SMARANIKA	PRESIDENT NILAGIRI MAHASTAV	prafulla kumar nayak,EX-E.O
2381	07.2016	3000.00	ADVERTISEMEN T BILL	EASTERN MEDIA,SAMBAD,BLS	prafulla kumar nayak,EX-E.O
26114	07.2016	15000.00	FOR NAGAR-2015	SECY.H&UD,BBSR CULTURAL ASSOCIATION	SRI AJAY KUMAR MOHAPATRA
26215	07.2016	2000.00	ADVERTISEMEN T BILL	MANAGER,ANUDHHANA,BB SR	SRI AJAY KUMAR MOHAPATRA
4718	09.2016	3000.00	ADVERTISEMEN T BILL	MANAGER DHAWANI PRATIDHANI	SRI AJAY KUMAR MOHAPATRA
54029	09.2016	3000.00	ADVERTISEMEN T BILL	Tilak raj publication(p) ltd.BBSR	SRI AJAY KUMAR MOHAPATRA
54129	09.2016	3000.00	ADVERTISEMEN T BILL	MANAGER DARSHAN	SRI AJAY KUMAR MOHAPATRA
59514	10.2016	2894.00	E-TENDER	SAMBAD,BBSR	SRI AJAY KUMAR MOHAPATRA
59614	10.2015	1000.00	LSG DAY	SAMBAD,BBSR	SRI AJAY KUMAR MOHAPATRA
59714	10.2015	1000.00	LSG DAY	PRAGATIVADI,BBSR	SRI AJAY KUMAR MOHAPATRA
59814	10.2015	1000.00	LSG DAY	SAMAYA,BBSR	SRI AJAY KUMAR MOHAPATRA
59914	10.2015	1000.00	LSG DAY	SRUTI,BBSR	SRI AJAY KUMAR MOHAPATRA
60014	10.2015	1000.00	LSG DAY	ANUDHYANA,BLS	SRI AJAY KUMAR MOHAPATRA
60114	10.2015	1000.00	LSG DAY	MANTHAN,BBSR	SRI AJAY KUMAR MOHAPATRA
60214	10.2015	1000.00	LSG DAY	DHARITRI,BBSR	SRI AJAY KUMAR MOHAPATRA

603	14.10.2 015	1000.00	LSG DAY	KHABAR,BBSR	SRI AJAY KUMAR MOHAPATRA
604	14.10.2 015	1000.00	LSG DAY	KHOLA KHABAR,BLS	SRI AJAY KUMAR MOHAPATRA
605	14.10.2 015	1000.00	LSG DAY	SARVA SADHARANA,BBSR	SRI AJAY KUMAR MOHAPATRA
606	14.10.2 015	1000.00	LSG DAY	NITI DINA,BBSR	SRI AJAY KUMAR MOHAPATRA
607	14.10.2 015	1000.00	LSG DAY	DHWANI PRATIDAWANI,BLS	SRI AJAY KUMAR MOHAPATRA
608	14.10.2 015	1000.00	LSG DAY	KALINGA PRAVA,CUTTACK	SRI AJAY KUMAR MOHAPATRA
609	14.10.2 015	1000.00	LSG DAY	SURYA PRABHA,BBSR	SRI AJAY KUMAR MOHAPATRA
610	14.10.2 015	1000.00	LSG DAY	PRAJATANTRA,CUTTACK	SRI AJAY KUMAR MOHAPATRA
611	14.10.2 015	1000.00	LSG DAY	INDUS VALLUI TIMES,BBSR	SRI AJAY KUMAR MOHAPATRA
617	22.10.2 016	500.00	LSG DAY	SRUTI,BBSR	SRI AJAY KUMAR MOHAPATRA
618	22.10.2 016	1000.00	LSG DAY	KRANTI DHARA,BBSR	SRI AJAY KUMAR MOHAPATRA
619	22.10.2 016	3000.00	ADVERTISEMEN T BILL	ODISHA UNION OF JOURNALIST OF BALASORE	SRI AJAY KUMAR MOHAPATRA
638	25.10.2 016	700.00	LSG DAY	NYABATI,BBSR	SRI AJAY KUMAR MOHAPATRA
639	25.10.2 016	1500.00	LSG DAY	L.J.PUBLICATION,BBSR	SRI AJAY KUMAR MOHAPATRA
624	22.10.2 016	1000.00	LSG DAY	LOKA SAMPARK,BBSR	SRI AJAY KUMAR MOHAPATRA
643	27.10.2 016	1000.00	LSG DAY	TIRTHA KEHETRA	SRI AJAY KUMAR MOHAPATRA
644	27.10.2 016	10000.00	ADVERTISEMEN T BILL	ODISHA JOUANALIST UNION,BBSR	SRI AJAY KUMAR MOHAPATRA
689	18.11.2 016	2000.00	E-TENDER	SAMAYA	SRI AJAY KUMAR MOHAPATRA
690	18.11.2 016	2000.00	E-TENDER	DHWANI PRATIDAWANI,BLS	SRI AJAY KUMAR MOHAPATRA
691	18.11.2 016	1000.00	LSG DAY	SAMAYARA CHAKRA,BLS	SRI AJAY KUMAR MOHAPATRA
692	18.11.2 016	1000.00	LSG DAY	KALANTAR,BBSR	SRI AJAY KUMAR MOHAPATRA
693	18.11.2 016	990.00	LSG DAY	SAMAJ,CUTTACK	SRI AJAY KUMAR MOHAPATRA
768	16.12.2 016	1000.00	LSG DAY	NAKSHATRAJYOTI,BBSR	SRI AJAY KUMAR MOHAPATRA
801	27.12.2 016	10000.00	ADVERTISEMEN T BILL	PUJYA PUJA COMMITTEE.NILAGIRI	SRI AJAY KUMAR MOHAPATRA
804	28.12.2 016	1500.00	E-TENDER	Tilak raj publication(p) ltd.BBSR	SRI AJAY KUMAR MOHAPATRA
805	28.12.2 016	1500.00	E-TENDER	DARSHAN,BBSR	SRI AJAY KUMAR MOHAPATRA
861	21.01.2 017	1000.00	LSG DAY	AJIKALI,BLS	SRI AJAY KUMAR MOHAPATRA
1009	24.03.2 017	3000.00	ADVERTISEMEN T BILL	SAMAYA,BBSR	SRI AJAY KUMAR MOHAPATRASRI AJAY KUMAR MOHAPATRA
		107284.00			

Hence the @2% of Rs 107284.00 comes to Rs .2145.68 or say Rs 2146.00. is not admissible in audit and compliance reported to audit.

In response to the audit objection memo the executive officer stated that it is noted for future guidance.Henceforth the TDS will be deducted from

advertisement bill in the running financial year 2017-18. However reply of local authority is not convincing at all. Hence objection stands. For such excess payment the following officials are held responsible.

**Responsible Person for this paragraph**

Sino	Name	Designation	Adress	Amount(In Rs.)
1	SRI AJAY KUMAR MOHAPATRA	EXECUTIVE OFFICER	NOW E.O AT NILAGIRI NAC, DIST-BALASORE	1772.00
2	SRI PRAFULLA KUMAR NAYAK	EX-E.O	NOW AT P.H.D OFFICE, BALASORE	374.00

**14.4 - O.S.P 20-21**
**Wasteful expenditure on advertisement in news paper:-**

On scrutiny of paid vouchers during the course of audit it was noticed that a total sum of Rs 26690.00 was paid towards advertisement charges for different purposes on different dates as detailed furnished below. As per O.G.F.R rule -9 every office incurring or authorizing expenditure should be guided by high standard of financial propriety and Govt.money should be utilized for the bonafied public interest only. But in the following cases no public interest has been fulfilled due to such kind of advertisement

vr.no	date	amount	PURPOSE	TO WHOM
596	14.10.2015	1000.00	LSG DAY	SAMBAD, BBSR
597	14.10.2015	1000.00	LSG DAY	PRAGATIVADI, BBSR
598	14.10.2015	1000.00	LSG DAY	SAMAYA, BBSR
599	14.10.2015	1000.00	LSG DAY	SRUTI, BBSR
600	14.10.2015	1000.00	LSG DAY	ANUDHYANA, BLS
601	14.10.2015	1000.00	LSG DAY	MANTHAN, BBSR
602	14.10.2015	1000.00	LSG DAY	DHARITRI, BBSR
603	14.10.2015	1000.00	LSG DAY	KHABAR, BBSR
604	14.10.2015	1000.00	LSG DAY	KHOLA KHABAR, BLS
605	14.10.2015	1000.00	LSG DAY	SARVA SADHARANA, BBSR
606	14.10.2015	1000.00	LSG DAY	NITI DINA, BBSR
607	14.10.2015	1000.00	LSG DAY	DHWANI PRATIDAWANI, BLS
608	14.10.2015	1000.00	LSG DAY	KALINGA PRAVA, CUTTACK
609	14.10.2015	1000.00	LSG DAY	SURYA PRABHA, BBSR
610	14.10.2015	1000.00	LSG DAY	PRAJATANTRA, CUTTACK
611	14.10.2015	1000.00	LSG DAY	INDUS VALLUI TIMES, BBSR
617	22.10.2016	500.00	LSG DAY	SRUTI, BBSR
618	22.10.2016	1000.00	LSG DAY	KRANTI DHARA, BBSR
638	25.10.2016	700.00	LSG DAY	NYABATI, BBSR

639	25.10.2016	1500.00	LSG DAY	L.J.PUBLICATION,BBSR
624	22.10.2016	1000.00	LSG DAY	LOKA SAMPARK,BBSR
643	27.10.2016	1000.00	LSG DAY	TIRTHA KEHETRA
691	18.11.2016	1000.00	LSG DAY	SAMAYARA CHAKRA,BLS
692	18.11.2016	1000.00	LSG DAY	KALANTAR,BBSR
693	18.11.2016	990.00	LSG DAY	SAMAJ,CUTTACK
768	16.12.2016	1000.00	LSG DAY	NAKSHATRAJYOTI,BBSR
861	21.01.2017	1000.00	LSG DAY	AJIKALI,BLS
	total	26690.00		

In response to the audit objection memo the Municipality authority stated that as per council resolution advertisement fee was paid on the occasion of celebration of local self Government day 2016-17 .However steps may be taken to minimize the LSG day expenditure i.e on publication of paper.This is noted for future guidance. The executive officer id advised to minimise the expenditure towards L.S.G day henceforth.However till approval from competent authority a sum of rs.26690.00 is kept under objection.

**14.5 - OSP 37-38**

**Less realization of Income Tax -**

On scrutiny of paid vouchers of cash book it is noticed that a sum of Rs. 3516.00 was excess paid due to non realization of income tax @2% on 175782.00 as calculated below towards Income Tax on the cost of DEO on service provider of L&K SERVICE,BBSR and M/S Vision security service,Balasore which is suggested for recovery and the credit pointed out to audit. As per the section of 194C income tax rule says that TDS rates @2% should be deducted .The details of such calculation is furnished below

VR NO	DATE	AMOUNT	PERIOD	TO WHOM	NAME OF THE PERSON ENGAGED	Persons responsible
185	04.2016	10330.00	Mar-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI PRAFULLA KUMAR NAYAK,EX-E.O
982	05.2016	10330.00	Apr-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI PRAFULLA KUMAR NAYAK,EX-E.O
1593	06.2016	10330.00	May-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI PRAFULLA KUMAR NAYAK,EX-E.O
2351	07.2016	10330.00	Jun-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI PRAFULLA KUMAR NAYAK,EX-E.O
3152	08.2016	10330.00	Jul-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
495	15.09.2016	10375.00	Aug-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
5543	10.2016	10375.00	Sep-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
6642	11.2016	10375.00	Oct-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
7363	12.2016	10375.00	Nov-16	L&K SERVICE,BBSR	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
8335	01.2017	10277.00	Dec-16	M/S VISION SECURITY SERVICE,BALASORE	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
8335	01.2017	9402.00	Dec-16	M/S VISION SECURITY SERVICE,BALASORE	GADADHAR BEHERA,DRIVER	SRI AJAY KUMAR MOHAPATRA

833	5.01.2017	7865.00	Dec-16	M/S VISION SECURITY SERVICE,BALASORE	PARAMESWAR MUKHI,WATCHMAN	SRI AJAY KUMAR MOHAPATRA
894	3.02.2017	10277.00	Jan-17	M/S VISION SECURITY SERVICE,BALASORE	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
894	3.02.2017	9402.00	Jan-17	M/S VISION SECURITY SERVICE,BALASORE	GADADHAR BEHERA,DRIVER	SRI AJAY KUMAR MOHAPATRA
894	3.02.2017	7865.00	Jan-17	M/S VISION SECURITY SERVICE,BALASORE	PARAMESWAR MUKHI,WATCHMAN	SRI AJAY KUMAR MOHAPATRA
941	2.03.2017	10277.00	Feb-17	M/S VISION SECURITY SERVICE,BALASORE	HIMANSHU KUMAR BARIK,DEO	SRI AJAY KUMAR MOHAPATRA
941	2.03.2017	9402.00	Feb-17	M/S VISION SECURITY SERVICE,BALASORE	GADADHAR BEHERA,DRIVER	SRI AJAY KUMAR MOHAPATRA
941	2.03.2017	7865.00	Feb-17	M/S VISION SECURITY SERVICE,BALASORE	PARAMESWAR MUKHI,WATCHMAN	SRI AJAY KUMAR MOHAPATRA
	TOTAL	175782.00	@2%=3515.64 or 3516.00			

In response to the audit objection memo the local authority stated that the amount realized from their salary for the month of 5/2017 which was drawn during the month of 6/2017 but till recovery of the same the following officials are held responsible.

**Responsible Person for this paragraph**

Sno	Name	Designation	Adress	Amount(In Rs:)
1	SRI PRAFULLA KUMAR NAYAK	EX-E.O	NOW AT P.H.D OFFICE,BALASORE	1653.00
2	SRI AJAY KUMAR MOHAPATRA	EXECUTIVE OFFICER	NOW E.O AT NILAGIRI NAC,DIST-BALASORE	1863.00

**PARA: 15 AUDIT ON WORKS**
**15.1 -**
**NON SUBMISSION OF COMPLETION CERTIFICATE AS REQUIRED UNDER RULE 344 OF ODISHA MUNICIPAL RULES 1953**

As per Rule 344 of Odisha Municipal Rules 1953 when a work is completed a completion certificate signed by the M.E/E.O certifying that the work has been satisfactorily completed shall be submitted along with the final bill and in the absence of such a certificate no Contractor should be finally paid up. But it is found in all most all the case records , these aspects have been completely violated

**15.2 - OSP 29**
**Excess Payment in works due to amount paid over and above the tender amount**

on scrutiny of the following case record it was observed that the works were put to tender after technical sanction and were awarded to the contractors less than the estimated amount. But in course of payment of bill it was noticed that the contractor was paid the entire estimated amount instead of the tender amount as per the contract with the contractor by inflating the measurement which was not provided/required as per the estimate in order to provide undue financial benefit to the contractor. Hence the amount of Rs. 5000.00 paid in excess than the tender amount is suggested for recovery and compliance reported to audit.

S.No	Name of the work	Estimated cost	Tendered	Amount paid	Excess paid	MB NO	VR .NO/DATE	Agency
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o			amount					
1	Construction of c.c road from PWD road to community center via Dahanimara. Ward no.12	75000.00	70000.00	75000.00	5000.00	65/129-134	510/17.09.2016	Asit kumar parida
	total				5000.00			

In response to the audit objection memo the amount was realized from the excctant sri Asit kumar parida vide M.R NO.2599/9.05.2017 and credited to cash book.credited to cash book.

**15.3 - OSP 30-32**
**EXCESS PAYMENT-**

As per note(v) of Rule 4 below Appendix-VII of OPWD Code, specific provisions are to be made in the contract for imposition of penalty in the event of failure to complete the work within stipulated period. As per clause 9(2) of the terms and conditions of agreement attached to the CR the compensation is equal to the 1% to 05% of the estimated cost if the days of delay lie within 1 to 2 months. On scrutiny of the following case record and MB it is revealed that the actual date of completion of work was delay after the issue of work order and the same thing has been done in the condition of contract to avoid penalty in delay in completion of work. Therefore the following works has been shown completed on delayed by 1 to 2 months for which penalty was due for deduction instead of that payment has been allowed as undue benefit to the contractor which need to be recovered and credit pointed out to audit.

	Name of the work	In Tender schedule date allowed for completion of project	Date allowed when Work order issued with order no /DATE	Comple tion of date in M.B	Exces s date allowe d	BILL VALUE AFTER MEASUREMENT IN M.B FOR PROJECT ALLOWED	PENA LTY DUE FOR IMPO SITIO N	EXC ESS AM OUNT PAI D	execut ant	MB NO/ PAG E	VR NO/DAT E	Rema rks/pe rsons respo nsible	NAM E OF THE J.E
1	Const of c.c road from p.house to dila house in ward no.10	30 days	30 days order no.469/9.11.2016	28.01.2017	51 days	1 <sup>st</sup> bill Rs.100000.00	5%on 10000 0.00=5 000.00	500 0.00	Sulach ana khatua	70/3 6-40	1003/22. 03.2017	Susan ta beher a	Susa nta behe ra
2	CONSTRUCTION OF COMMUNITY CENTER AT CHIMNIBHATI IN WARD NO.08	30 DAYS	30 DAYS ORDER NO.409/7.11.2016	8.03.2017	92 DAYS	RS.100000.00	5%on 10000 0.00=5 000.00	500 0.00	SURY AKAN T BISWA L	71/1 6-23	1007/24. 03.2017	Susan ta beher a	Susa nta behe ra
3	COMPLETION OF REPAIR WPORK OF BUS	30 DAYS	30 DAYS ORDER NO.81/24.02.2016	26.08.2016	122 DAYS	RS.18783.00	5 % ON 18783. 00=93 9.00	939. 00	Rabind ra kumar patra	65/8 6-90	469/1.09 .2016	Susan ta beher a	Susa nta behe ra



	STAND ROOM NO.2 OF NAC													
4	Repair of Balaji matha of Nilagiri nac, ward no.6	30days	30 days order no.439/2.12.2015	23.05.2016	144 days	Rs.100000.00	5 % on 100000.00=5000.00	5000.00	Narendra pradhan	61/138-150	147/31.05.2016	Gangadhar das	Gan gadhar das	
5	CONST.OF R.C.C WALL (PART) OF GARBAGE PIT AT MALYANI	30 DAYS	30 DAYS VIDE ORDER NO.129/2.05.2016	27.07.2016,	1.09.2016/4.10.2016	2 <sup>ND</sup> BILL RS.144966.00 3 <sup>RD</sup> BILL RS.254511.000 AND 4 <sup>TH</sup> BILL RS.153806.00 COMES TO TOTAL RS.553283.00	5% ON 553283.00=27664.00	27664.00	AJIT KUMAR PATI	65/53-58, 64/182-188 AND 65/184-190	340/6.08.2016, 483/12.09.2016 AND 563/6.10.2016	Susan ta behera	Susan ta behera	
	TOTAL							43603.00						

In response to the audit objection memo the amount was realized from the different delinquents which was given below.

vr.no	date	amount	from whom	remarks
80	12.05.2017	5000	sri Narendra pradhan	adjusted from their S.D
81	12.05.2017	5000	Ssuryakanta Biswal	adjusted from their S.D
82	12.05.2017	939	Rabindra patra	adjusted from their S.D
83	12.05.2017	5000	sulachana khatua	adjusted from their S.D
84(3)	12.05.2017	27664	ajit kumar pati	adjusted from their S.D
	total	43603		

Hence the para was dropped.

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

<b>16.1 -</b>
No Comment

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

<b>17.1 - O.S.P 9-10</b>
Scheme wise target and achievement for the year 2016-17

NAME OF THE SCHEME	OB AS ON 1.04.2016	FUNDS RECEIVED DURING THE YEAR	TOTAL	FUNDS UTILIZED DURING THE YEAR	UNSPENT BALANCE AT THE END OF THE YEAR	% OF EXPENDITURE TO THAT OF AVAILABLE FUND	No of spill over projects from previous years	No of projects planned for the current year as per annual action plan	Total	No. of projects completed during the year	No of spill over projects to the next year	PERCENTAGE ACHIEVEMENT
1	2	3	4	5	6	7	8	9	10	11	12	13
R&B Grant	2198000.00	1977000.00	4175000.00	2457000.00	1718000.00	58.85	6	47	53	33	20	62.26
Public Toilet Grant	2344350.00	0.00	2344350.00	0.00	2344350.00	0.00	3	0	3	0	3	0
MVT Grant	1218000.00	1275000.00	2493000.00	2393000.00	100000.00	95.99	14	11	25	24	1	96
Devolution Fund	3815000.00	4769000.00	8584000.00	6636740.00	1947260.00	77.32	2	22	24	21	3	88
MPLAD	1193000.00	750000.00	1943000.00	1793000.00	0.00	92.28	3	5	8	8	0	100
MLALAD	815000.00	0.00	815000.00	815000.00	0.00	100.00	7	0	7	7	0	100
SDPF	0.00	400000.00	400000.00	400000.00	0.00	100	0	3	3	3	0	100
SPF	645000.00	0.00	645000.00	645000.00	0.00	100	6	0	6	6	0	100
NRB Grant	374000.00	316000.00	690000.00	374000.00	316000.00	54.20	2	4	6	2	4	33
RD Grant	1255000.00	2637000.00	3892000.00	2151410.00	1740590.00	55.28	13	79	92	51	41	55
13th FC Grant	555000.00	0.00	555000.00	555000.00	0.00	100.00	5	8	13	13	0	100
Water Bodies	1500000.00	1000000.00	2500000.00	1229586.00	1270414.00	49.18	3	0	3	2	1	67
CCA Grant(4THS FC)	960000.00	960000.00	1920000.00	335950.00	1584050.00	17.50	2	1	3	1	2	33.33
MCA Grant(4TH SFC)	458000.00	457000.00	915000.00	458000.00	457000.00	50.05	1	2	3	1	2	33.33
<b>TOTAL</b>	<b>17330350.00</b>	<b>14541000.00</b>	<b>31871350.00</b>	<b>20243686.00</b>	<b>11477664.00</b>		<b>67</b>	<b>182</b>	<b>249</b>	<b>172</b>	<b>77</b>	

**17.2 -**

The details of projects information executed during 2016-17 as follows was supplied by the local authority to audit in response to the audit objection memo no. 05/4.05.2017.

**DETAILS OF MLALAD PROJECTS IMPLEMENTED DURING 2016-17**

sr no	date	Sanctioned amount	project name	sanction order	actual expenditure	BALANCE	REMARKS
75	29.04.2016	150000.000	COMPLETION OF BARSAHI	1625/17.08.2015 OF	111674.00		

501	16.09.2016		SMASAN REST SHED WARD NO.5	DISTRICT PLANNING,B LS	38326.00		
	TOTAL	150000.000			150000.00	0.00	
147	31.05.20216	100000.000	REPAIR OF BALAJI MATH OF NILAGIRI NAC, WARD NO.6	1576/4.08.201 5 /PLANNING, BLS	100000.00	0.00	
		100000.000	CONSTRUCTION OF C.C ROAD FROM JAGADAS HOUSE TO HARIA BEHERA HOUSE ,IN WARD NO.07	1576/4.08.201 5 /PLANNING, BLS			COMPLETED IN 2015-16
		200000.000	CONSTRUCTION OF C.C ROAD FROM PWD ROAD TO RABANI TEMPLE, WARD NO.11	1576/4.08.201 5 /PLANNING, BLS			COMPLETED IN 2015-16
243	13.07.20169	100000.000	CONSTRUCTION OF C.C ROAD WITH CULVERT FROM PWD ROAD TO RABANI THAKURANI , WARD NO.11	499/23.02.201 6 OF PLANNING ,BLS	100000.00	0.00	
699	28.11.2016	200000.000	CONSTRUCTION OF C.C ROAD FROM PWD ROAD TO ELECTRICITY NESCO OFFICE , WARD NO.11	1635/P/6.08.2 016	200000.00	0.00	
754	15.12.2016	100000.000	CONSTRUCTION OF C.C ROAD IN WARD NO.11 NEAR RADAR OFFICE FROM FAKIRA HOUSE TO RADAR OFFICE	1635/P/6.08.2 016	100000.00	0.00	
755	15.12.2016	100000.000	CONSTRUCTION OF CULVERT WARD NO.11 NEAR RADAR OFFICE	1635/P/6.08.2 016	100000.00	0.00	
	TOTAL	1050000.000			750000.000	0.000	

**PARA: 18 MISCELLANEOUS**

<b>18.1 -</b>				
<b>Audit paras pending for settlement</b>				
Sl No.	Audit Report no with year of account	Paragraphs pending for settlement relating to misappropriation of cash and loss of stock store	Paragraphs pending for settlement other than misappropriation and defalcation	Total

		No of paragraphs	Amount	No of paragraphs	Amount	No of paragraphs	Amount
1	101868/AR/2015-16	1	5300.00	10	137782.00	11	143082.00
2	259343/AR/2016-17 FOR THE 2015-16	0	0	5	78729.00	5	78729.00
	TOTAL	1	5300.00	15	216511.00	16	221811.00

No Compliance for the above audit reports has not yet submitted by the authority. So the very purpose of the Audit is not fulfilled . The EO is here by instructed /apprised of the fact. Early and effective step needs be taken so that the objections and suggestions furnished in the reports can be able to improve the innovative of the accounting system of the NAC.

**18.2 -**

The assets and liabilities position for the year 2016-17 as follows.

Liabilities	Value(In Rs)	Assets	Value ( In Rs)
Unspent balance of Grants	96204356.00	Cash in hand	55708.00
<b>Unremitted Govt. Dues:-</b>		Cash in Bank	53159739.47
VAT	693743.00	Cash in treasury	0.00
Cess	617520.00	Cash in Post Office	0.00
Royalty	1324543.00	Advance recoverable	86900.00
IT	2652.00	<b>Outstanding Taxes, rents, rates etc.:-</b>	
<b>Refundable deposit:-</b>		Holding	177261.55
SD	1600097.00	Light	102001.50
EMD	453854.00	Water	123343.50
<b>Unpaid salary</b>	282255.00	Shop rent	125350.00

Pension	38257.00	Sairat	24444.00
<b>Unpaid Bills:-</b>		Licence fee u/s-290	41696.00
Telephone bill	1966.00		
		(-)10% NON RECOVERABLE) OF 594096.55 TAXES	534686.895
<b>Grand total</b>	<b>101219243.00</b>	<b>Grand total</b>	<b>53896444.02</b>

From the above Assets/Liabilities data it was seen that liabilities is more over the assets of the NAC. Hence the E.O. is advised to minimize the expenditure and increase the receipt to square up the difference of Assets/Liabilities

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

<b>19.1 -</b>
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**Position of Govt. Dues namely IT/VAT/Royalty/Cess/P.Tax as on 31.03.17**

Particulars	Royalty	VAT	Labour Cess	I.T.	PT	TOTAL
Outstanding dues as on 01.04.16	1316668.00	631150.00	605002.00	64900.00	0.00	2617720.00
Amount collected during the year	664924.00	1460686.00	305262.00	361264.00	13075.00	2805211.00
<b>Total</b>	<b>1981592.00</b>	<b>2091836.00</b>	<b>910264.00</b>	<b>426164.00</b>	<b>13075.00</b>	<b>5422931.00</b>
Amount remitted during the year	657049.00	1398093.00	292744.00	423512.00	13075.00	2784473.00
Balance to be remitted as on 31.03.17	1324543.00	693743.00	617520.00	2652.00	0.00	2638458.00

The NAC authority is impressed upon to deposit the the Government revenue such as VAT,royalty, cess,P.T and income tax in proper head of account.and shown to next audit.Till then deposit of the same in proper head of account a sum of Rs. 2638458.00 is kept under objection

**19.2 -**

The position of SD/EMD/ISD for the period 2016-17 in respect of Nilagiri NAC is furnished below.

Particulars	SD	EMD
Outstanding dues as on 01.04.16	547481.00	0.00
Amount collected during the year	1455445.00	458854.00
Total	2002926.00	458854.00
Amount remitted during the year	402829.00	5000.00
Balance to be remitted as on 31.03.17	1600097.00	453854.00

**19.3 - C.P.F OF STAFF**

The CPF account ledger made available to audit has not been maintained properly as required under Rule-434 Of Odisha Municipal rules-1951. The CPF deductions from monthly salary bills of the employees were verified with reference to concerned ledger but in few cases the postings in the ledger have not been made properly. The E.O.as well as the Chairperson are suggested to take effective steps for proper maintenance of the same and produce to next audit for verification. An abstract position of CPF of NAC staff for the period 2016-17 is furnished below

Sl no	Particulars	Position of CPF account
1	O.B as on 1.04.2016	0.00
2	Amount deducted during the year 2016-17	46368.00
3	Total	46368.00
4	The amount deposited during year 2016-17	46368.00
	Balance to be deposited as on 31.03.2017	6215.00

The details of CPF deposit are given below.

vr.no	date	amount	PERIOD
	54.04.2016	3864.00	Mar-16
	922.05.2016	3864.00	Apr-16
	1533.06.2016	3864.00	May-16
	2321.07.2016	3864.00	Jun-16
	3121.08.2016	3864.00	Jul-16
	4601.09.2016	3864.00	Aug-16
	5473.10.2016	3864.00	Sep-16

648	1.11.2016	3864.00	Oct-16
724	1.12.2016	3864.00	Nov-16
828	2.01.2017	3864.00	Dec-16
881	2.02.2017	3864.00	Jan-17
933	1.03.2017	3864.00	Feb-17
	<b>TOTAL</b>	<b>46368.00</b>	

**PARA: 20 RESULT OF AUDIT**

<b>20.1 -</b>
<p><b>Comment on maintenance of accounts-</b></p> <p>Maintenance of account of the Municipality is not satisfactory due to following reason</p> <p>a. . non-deposit of Govt. taxes and dues.</p> <p>b. Non maintenance of DCB register and taxes &amp; other collection.</p> <p>c. Huge amount of pendency of UC for submission as on 31.3.2017.</p> <p>d. Non availability of approved quarry chart</p> <p><b>Suggestion</b></p> <p>For strengthen of the financial position and enforcing financial discipline of the Local Authority. Following suggestion are given below.</p> <p>1. Proper maintenance of DCB register.</p> <p>2. Enforcement of provision led U/S 161, 162, 163 &amp; 201 of the Odisha Municipal Act.</p> <p>3. Survey of new holding by collecting datas from different sources like from electric deptt. on new electricity connections within the Municipality area.</p> <p>4. Assessment of new holding.</p> <p>5. Revaluation of old assessed cases, if any.</p> <p>6. Utilisation of Grants under Public conveyance (which was remain untutilised) and the asset may be utilised in PPP mode. In order to avoid loss.</p> <p>7. Maintenance of Asset register and constant monitoring of the assets for generation of own fund.</p> <p>8. Imposing taxes on cart and carriage.</p>

**Result Of Audit**

Sl No	Name Of The Paragraph	Amount suggested for	Amount kept on objection(In Rs:)	Amount Surchargeable(I	Amount Embezzlement(I	Amount Othercases(In	Remarks
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		recovery(In Rs:)	n Rs:)	n Rs:)	Rs:)
1	8.1	7500.00	68500.00	0.00	7500.00
2	13.7	13684.00	13684.00	13684.00	0.00
3	14.3	2146.00	2146.00	2146.00	0.00
4	14.4	0.00	26690.00	0.00	0.00
5	14.5	3516.00	3516.00	3516.00	0.00
6	19.1	0.00	2638458.00	0.00	0.00
<b>Total</b>		<b>26846.00</b>	<b>2752994.00</b>	<b>19346.00</b>	<b>7500.00</b>

### Audit Certificate

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

### Spot Recovery

SI No	Ref Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	15.3	VR NO.83	2017-05-12	5000	Sri sulachana khatua
2	15.3	VR NO.82	2017-05-12	939	Sri Rabindra patra
3	15.3	VR NO.81	2017-05-12	5000	Sri suryakanta Biswal
4	15.3	VR NO .80	2017-05-12	5000	sri Narendra pradhan
5	15.2	2599	2017-05-09	5000	SRI ASIT KUMAR PARIDA
6	11.4	4366	2017-05-12	4700	SRI UPENDRA NATH DAS
7	11.3	2595	2017-05-08	1600	SRI MANOJ KUMAR DAS
8	11.3	2596	2017-05-08	240	SRI MAHENDRA PRUSTY
9	11.2	2598	2017-05-08	17910	SRI KARTIKESWAR DHAL
10	11.1	2594	2017-05-04	852	SRI KARTIKESWAR DHAL
11	15.3	VR NO.84(3)	2017-05-12	27664	Ajit kumar Pati
12	14.2	2597	2017-05-08	77	Suchismita Parichha
<b>Total</b>				<b>73982</b>	