

LOCAL FUND AUDIT, KALAHANDI, ODISHA

CATEGORY : Municipality/Municipal Corporation

Audit Report No : 417210/AR/2018-2019-KALAHANDI

PARA: 1 TITLE SHEET

1	Name of the Institution :	Bhawanipatna Municipality
2	Year of Accounts under Audit :	2017-2018
3	Name of the Local Authority during the year of A/Cs :	1.SIR BISWAMBHAR MISHRA-16.07.2016 TO 31.07.2017 2.SRI SURYA NARAYAN DASH-OAS-I,S.B FROM 01.08.2017 TO 26.01.2018 3.SRI SURENDRA KUMAR TRIPATHI, ORS FROM 27.01.2018 TO 31.03.18
	Name of the Local Authority at the time of Audit :	SRI BISWAMBHAR MISHRA
4	Duration of Audit :	31-10-2018 To 31-12-2018 (Mandays Consumed :- 42)
5	Name of the Auditors :	JAYA KRISHNA PANDA - Lead Auditor(31-10-2018 to 31-12-2018) BAISWANAR NAYAK - Auditor(31-10-2018 to 31-12-2018)
6	Name of the Reviewing Officer :	BISHNU CH. MOHANTY(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	17-01-2019
8	Entry Conference Date :	25-10-2018
9	Exit Conference Date :	01-03-2019
10	Name of the District Audit Officer :	BIBHUTI BHUSAN RATH
11	Date of approval of report by District Audit Officer :	11-03-2019

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		
Bhawanipatna Municipality	15.4	20	12889	4016	0	52140	69045	33539	35506

PARA: 2 PHYSICAL VERIFICATION

Sno	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	Building plan approval form at the rate Rs 30	31-10-2018	50	50	Page 2	nil
2	Holding receipt	31-10-2018	1	1	Page 27	nil
3	Miscellaneous Receipt Books	31-10-2018	23	23	Page 3	nil
4	Measurement Books	31-10-2018	0	0	Page 10	nil
5	Cash in hand	31-10-2018	270	270	Cashier cash book page 89 RTI cash book Page 23	nil

Comments

POM NO 01/31.10.18

As per Rule 20 of Odisha Local fund Audit Act the Cash in hand, unused MBs, Unused postage stamps, unused Receipt books was verified & no discrepancy was noticed. No reply was furnished by local authority regarding periodical physical verification of cash.

PARA: 3 LIST OF VERIFIED RECORDS

A : List Of Verified Records/Register

S/no	List Records/Register	Rules	Form No
1	Miscellaneous Supply Bill	Rule 343	Form W-V
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	Mutation Register	Rule 184	Form G
6	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)
7	Demand and Collection Register	Rule 178	Form B
8	Assessment List	Rule 177	Form A
9	Stock Register of Stationery	Rule 172	Form No. XLIV
10	Register of Grants	Rule 80	Form No. XLII
11	Daily Collection Register	Rule 171	Form No. XL
12	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
13	Miscellaneous Receipts	Rule 157	Form No. XXXIV
14	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
15	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
16	Register of Outstanding Advances	Rule 140	Form No. XIX
17	Advance Ledger	Rule 136	Form No. XVIII
18	Abstract Register of Expenditure	Rule 129	Form No. XVI
19	Abstract Register of Receipts	Rule 129	Form No. XV
20	Cash Book of the municipality	Rule 125	Form No. XIV
21	Periodical Increment Certificate	Rule 99	Form No. XI
22	Absentee Statement	Rule 97	Form No. X
23	Salary Bills	Rule 97	Form No. IX
24	Order Book	Rule 96	Form No. VIII
25	Register of Bills	Rule 96	Form No. VII
26	Challan	Rule 87	Form No. VI
27	Cashier's Cash Book	Rule 81	Form No. V
28	Schedule for the Budget Estimate	Rule 77	Form No. III
29	Abstract of the Budget Estimate	Rule 74	Form No. I-A
30	Budget Estimate	Rule 74	Form No. I
31	Measurement Book	Rule 365	Form W-VIII
32	Stock & Store Register of Municipality	Rule 346	Form W-VII

B : List of Records/Registers not Produced to Audit

S/no	List Records/Register	Rules	Form No
1	Warrant register	Rule 202	Form R
2	Contract Certificate	Rule 343	Form W-IV
3	Contract Agreement Form	Rule 341	Form W-III
4	Nominal Muster Roll (NMR)	Rule 340	Form W-II
5	Register of Distraint property & sales	Rule 204	Form S
6	Register of Estimates & Allotments	Rule 332	Form W-I
7	Form of inventory & Notice	Rule 203	Form Q
8	Distraint Warrant Register	Rule 202	Form P
9	Progress statement of collection of taxes	Rule 200	Form N
10	Tax collector's Ledger	Rule 198	Form M
11	Register of writes off of demands	Rule 190	Form J
12	Arrear Demand Register	Rule 187	Form H
13	Register of Petitions	Rule 183	Form F
14	Form of appeal petition	Rule 183	Form E
15	Stamp Account	Rule 172	Form No. XLIV
16	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
17	Register of Interest Bearing	Rule 147	Form No. XLI

	Securities		
18	Arrear List	Rule 170	Form No. XXXIX
19	Jamabandi Register	Rule 170	Form No. XXXVII
20	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
21	Register of Lands	Rule 160	Form No. XXXV
22	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
23	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
24	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
25	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
26	Loan Register	Rule 149	Form No. XXVII
27	Register of Investments	Rule 148	Form No. XXVI
28	Establishment Audit Register	Rule 146	Form No. XXV
29	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
30	Register of outstanding deposits	Rule 143	Form No. XXI
31	Deposit Ledger	Rule 142	Form No. XX
32	Register of adjustments	Rule 132	Form No. XVII
33	Subsidiary Cash Book	Rule 128 A	Form No. V-A
34	Subsidiary account of special taxes	Rule 79	Form No.-IV
35	Register of Works	Rule 345	Form W-VI

C : List of Records/Registers not Maintained

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

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

Comments

CONSEQUENCE DUE TO NON MAINTENANCE OF THE FOLLOWING RECORDS POM NO 20/28.12.18

Under Rule 142 of Odisha Municipal Rules, 2012 Deposit Ledger (Form No. XIII) is to be maintained showing the deposits from Contractors, executants any other sum received which are not property of the ULB and has been with ULB for a temporary period only. In absence of this, the details of deposits with the ULB which is a liability could not be ascertained properly.

Under Rule 129 of Odisha Municipal Rules, 1953, Abstract Register of Receipts and Expenditure in form No. XN with separate pages for detailed head is to be maintained. In absence of this, there are chances of wrong preparation of Budget and it may be difficult to arrive at the amount of UC due for submission. During Exit Conference, the local authority produced those abstract Register of Receipt & Payments for the year 2017-18. Those were verified and found that, the figures are not inclusive of the adjustment receipts & expenditure and hence treated as incomplete in audit. However, the local authority is advised to maintain the same in a full-fledged manner.

Under Rule 148 of Odisha Municipal Rules, 1953 Investment Register in form No.XXVI is to be maintained which will show the details of investment made by the Municipality. In absence of this no information regarding investment could be ascertained.

Under Rule 149 of Odisha Municipal Rules, 1953 Loan Register in form No.XXVII is to be maintained which will show the details of loans made by the ULB. In absence of this, no information regarding loan could not be obtained.

Under Rule 136 of Odisha Municipal Rules, 1953 Register of Outstanding Advances in Form No.XVII is to be maintained. In absence of this detail information on old outstanding advances cannot be obtained. During Exit Conference the local authority produced the Register of Outstanding Advances which was verified and found that the same is not maintained up to date. The authority is advised to maintain the same up to date.

As per Rule 136 to 140 of Odisha Municipal Rules, 1953 an Advance ledger is to be maintained in each ULB recording person wise separate accounts of such advances. Advances shall be regularly and promptly adjusted and any unspent balance of an advance shall be immediately refunded. The different accounts in the advance ledger shall be balanced quarterly and signed by the Executive officer & thus an Outstanding Advance ledger is to be maintained on quarterly basis. During Exit Conference the authority produced the Advance Ledger which was

maintained up to date.

During Exit Conference also the local authority confirmed that, the Asset Register and Property Register are being maintained online but no manual register is being maintained.

Besides, the following registers are not maintained by the Municipality :-

Loan Register Rule 149 Form No. XXVII helps ascertaining the loan position.

Register of Distained property & sales Rule 204 Form S 37 Register indicates the seizure, sale balance of distressed warrant.

Subsidiary account of special taxes Rule 79 Form No.-IV 2 indicates the impose of special tax if any when and where required.

Register of adjustments Rule 132 Form No. XVII 3

Register of outstanding deposits Rule 143 Form No. XXI 4

Establishment Audit Register Rule 146 Form No. XXV indicates the audit recovery, suggestion & compliance thereof .

Further the Executive Officer is suggested to ensure better maintenance of DCB Register so as to enable audit to ascertain the position of collection of rents and taxes of the Municipality.

PARA: 4 FINANCIAL POSITION

Bhawanipatna Municipality - 2017-2018

S/no	Name of the Cash Book	OB as on Date	Opening Balance(In Rs:)	Receipt during the Year under Audit(In Rs:)	Total(In Rs:)	Expenditure during the Year under Audit(In Rs:)	Closing Balance as per Audit (DD MM YYYY)	Closing Balance(In Rs:)(AUDIT)	Closing Balance as per (DD MM YYYY) Cash Book	Closing Balance(In Rs:)(CASH BOOK)	Difference (In Rs:)	Remarks
1	Accountant Cash Book	01-04-2017	135456686.91	248901636.85	384358323.76	217470572.00	31-03-2018	166887751.76	31-03-2018	166887751.76	0.00	
2	RTI Cash Book	01-04-2017	310.00	0.00	310.00	40.00	31-03-2018	270.00	31-03-2018	270.00	0.00	In shape of cash
	GRAND TOTAL		135456996.91	248901636.85	384358633.76	217470612.00		166888021.76		166888021.76	0.00	

Comments

Para 4.1: The details of closing balance as on 31.03.18 are furnished below.

S/no	Name of the Bank	Account no.	Closing Balance as on 31.03.18	Remarks
1	AXIS Bank,Bhawanipatna	812010100001731	216251.49	(Daily Collection Deposit)
2	SBI,Bhawanipatna	30947371771	21632549.00	(NEW RD A/C & TFC)
3	SBI,BHAWANIPATNA	30345155620	7379.00	(LFS A/C)
4	SBI,BHAWANIPATNA	30345177166	222298.00	(NON-LFS A/C)
5	ANDRA BANK	106110011002588	9427290.50	(BRGF A/C)
6	AXIS BANK	910010032620998	29433.00	BIJU KBK
7	UNION BANK OF INDIA	600202010001107	889219.00	(SJSRY)
8	BANK OF BARODA	33670100000922	5085421.00	(MBPY/NOAP A/C)
9	UNION BANK OF INDIA	600202010001735	45650.00	(MPLAD)
10	Allhabad bank	21539854738	27378.00	(NEW IHSDP)
11	HDFC BANK	19581450000050	53657.71	(SCHEMATIC FUND A/C)
13	AXIS BANK	912010059993334	20398.78	(WODC A/C)
14	AXIS BANK	912010060035713	702.00	(CONSTRUCTION OF CC ROAD A/C)
15	AXIS BANK	812010100004824	958359.00	(IHSDP NEW A/C)
16	ICICI BANK	77701000190	429959.31	(ANNUAL MAINTENANCE GRANT)

17	SBI BANK (Current A/C)	11083459557	1159457.90	Treasury link A/C
18	UBI, Bhawanipatna	600202010000731	1029438.00	(S.D.Account)
19	BOI, Bhawanipatna	514110210000017	86226.18	Daily Collection Deposit, Old
20	IDBI Bank	1134104000003537	23382.00	LPADF Fund
21	Union Bank of India	600202010000679	1015331.00	MLALAD
24	UTKAL GRAMYA BANK, BHAWANIPATNA	12207018007	46637.17	(OLD RD A/C)
25	UTKAL GRAMYA BANK, BHAWANIPATNA	12207017354	76590.00	(OLD IHSDP A/C)
26	Oriental Bank of Commerce	16932191015970	54705.00	(Special Problem Fund)
27	Indian Oversean Bank	70701000006767	0.00	(Public Toilet grant)
28	Bank of India	514110100004827	11515.00	
29	KAGB Bank	26/5866	11621.00	PMIUPEP Account
30	KAGB Bank	19/4435	1650.00	NRY Account
31	Andhra Bank	2213	5826.80	MPLAD
32	SBI, Municipal Fund	5852	12706.15	
33	BOI, Municipal Fund	5141101000044930000	11822.00	
34	AXIS Bank, Bhawanipatna	914010005210274	48312.00	(Harishchandra Sahayata Scheme)
35	AXIS BANK	932010060044746	115336.74	(Shop/Complex
36	IDBI BANK	1134104000037873	1771401.00	WODC
37	IDBI BANK	1134104000040350	123367.00	ANGANWADI CENTRE(AWC
38	IDBI BANK	1134104000044156	2869324.00	(DEVOLUTION FUND/NIGHT SHELTER
39	AXIS BANK.	914010005078902	1445946.00	(NULM
40	IOB, Bh. Patna.	70701000017760	14103.00	Performance Based Incentives(PBI)

41	AXIS Bank	914010046980574	23223942.00	Swachha Bharat Mission
42	State Bank of India	35650477245	489631.50	Current Account(EPF
43	IDBI Bank	1134104000055903	981831.00	(MOTOR VEHICLE TAX)
44	Allahabad Bank	50333863717	7020.00	(Solid Waste Managemen)
45	Syndicate Bank	80732200002707	783666.01	(CREATION / MAINTENANCE OF CAPITAL ASSETS)
46	ICICI BANK	77701000602	1462660.00	SOLID WASTE MANAGEMENT
47	DCB Bank	21711500000541	351003.00	
48	State Bank of India	4643	1618.00	
49	State Bank of India	4632	6038.52	
50	ICICI Bank	77701000609	3758002.00	Maintenance of Roads & Bridges
51	ICICI Bank	77701000610	475773.00	Maintenance of NRB
	Cash in hand		270.00	
	P/L Account(Grant Account) Treasury, Bhawanipatna	844800102009916000	86365923.00	
		Total Rs.	166888021.76	

PL account

PL account position as per cash book	86365923.00
PL account position as per pass book	86365923.00

Thus the PL account cash book position & pass book position agreed together.

Para No 4.2 NON ADHERENCE OF BUDGET ESTIMATE POM NO 17/24.12.18

As per Section 104 of the OM Rule, at least two months before close of the financial year the chairperson shall present before the municipality a complete account of its probable receipts and expenditure for the following financial year together with the actual of the current year. As per Section 107 of OM rule after expiry of 14 days the municipality shall sanction the estimate and submit forthwith to the state Govt for approval..As per Section 109 & 109(A) if any reason the budget is not sanctioned before the date prescribed under sub section(1) of Section 107 the District Magistrate shall call for the budget from the E.O, sanction and submit to the state Govt for their approval. But no such procedure followed by the municipality towards preparing the budget estimate which is highly irregular. Hence the E.O is advised to prepare the budget estimate with refer to proper guidelines of the Govt. and compliance reported to audit. Probably not preparing the budget the financial discipline is not maintained properly causing excess liability.

The annual budget for the year 2017-18 sent to DUDA, Kalahandi for outward transmission to Govt vide letter No 3235/28.10.17. DUDA, Kalahandi sent the same to Govt vide letter No 244/31.10.17. Finally Govt approved the budget for 2017-18 vide letter No 23428/HUD/04.12.17.

	As per budget	As per actual	Difference	% of achievement	Remark
Receipt	261490729	248901636.85	12589092.15	95.19	Less
Expenditure	252704826	217470612	35234214.00	86.06	Less

However, the Executive Officer is advised to be realistic while preparing budget estimate for coming financial years.

Para No 4.3 : Deposit in flexi account POM No 02/01.11.18

As per letter no. 35425/F, dtd.12.10.2012, 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 plan schemes in bank accounts, to keep them in flexi accounts so that higher interest accruals from the scheme funds can be ploughed back to expand the coverage of the scheme without affecting fund flow for the scheme.

In response to POM NO 02/01.11.18 local authority replied that Govt has instructed to rotate through treasury so no flexi account has been adopted. But during Exit Conference it was verified and found that, the actual balance position of the Municipality as on 31.3.18 is Rs 16,76,90,310.76 out of which only Rs 8,63,65,923.0 are kept in PL Account of this ULB and the balance amount of Rs 8,13,24,387.76 are kept in 51 nos of different Nationalised Banks. Hence a major portion of the said funds could have been in shape of flexi deposits in order to obtain higher returns through accrual of interest. The authority is advised to take steps in the matter.

Para No. 4.4 – SINKING FUND – POM NO.09/28.11.18

No sinking fund is operating in this N.A.C. during the year 2017-18. As per Section 111 Odisha Municipal Act, 1950 under Rule 20(d) local authority is advised to maintain a sinking fund in order to clear up the liabilities.

In response to POM NO 09/28.11.18 local authority replied that instruction noted.

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

Bhawanipatna Municipality - 2017-2018

S/no	Name of the Bank	A/C No.	Closing Balance Date As on (dd/mm/yyyy)	Closing Balance in Pass Book(In Rs:) (A)	Closing Balance in Bank Date Cash Book (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(In Rs:) (B)	Difference(In Rs:)(A-B)	Remarks
1	ALL BANK		01-04-2017	167690310.76	31-03-2018	166887751.76	802559.00	
	GRAND TOTAL			167690310.76		166887751.76	802559.00	

Reconciliation

S/no	Name of the Bank	Account no.	Closing Balance Date as on (dd/mm/yyyy)	Closing Balance in Pass Book (A)	C.B.as per Cash Book as on 31.03.2017 (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(B)	Difference (A-B)	Remarks
1	AXIS Bank,Bhawanipatna	812010100001731	31.03.2018	216251.49	31.03.2018	216251.49	0.00	(Daily Collection Deposit)
2	SBI,Bhawanipatna	30947371771	31.03.2018	21632549.00	31.03.2018	21632549.00	0.00	(NEW RD A/C & TFC)
3	SBI,BHAWANIPATNA	30345155620	31.03.2018	7379.00	31.03.2018	7379.00	0.00	(LFS A/C)
4	SBI,BHAWANIPATNA	30345177166	31.03.2018	222298.00	31.03.2018	222298.00	0.00	(NON-LFS A/C)
5	ANDRA BANK	106110011002588	31.03.2018	9427290.50	31.03.2018	9427290.50	0.00	(BRGF A/C)
6	AXIS BANK	910010032620998	31.03.2018	29433.00	31.03.2018	29433.00	0.00	BIJU KBK
7	UNION BANK OF INDIA	600202010001107	31.03.2018	889219.00	31.03.2018	889219.00	0.00	(SJSRY)
8	BANK OF BARODA	33670100000922	31.03.2018	5085421.00	31.03.2018	5085421.00	0.00	(MBPY/NOAP A/C)
9	UNION BANK OF INDIA	600202010001735	31.03.2018	45650.00	31.03.2018	45650.00	0.00	(MPLAD)
10	Allhabad bank	21539854738	31.03.2018	27378.00	31.03.2018	27378.00	0.00	(NEW IHSDP)
11	HDFC BANK	19581450000050	31.03.2018	53657.71	31.03.2018	53657.71	0.00	(SCHEMATIC FUND A/C)
13	AXIS BANK	912010059993334	31.03.2018	20398.78	31.03.2018	20398.78	0.00	(WODC A/C)

14	AXIS BANK	912010060035713	31.03.2018	702.00	31.03.2018	702.00	0.00	(CONSTRUCTION OF CC ROAD A/C)
15	AXIS BANK	812010100004824	31.03.2018	1470859.00	31.03.2018	958359.00	512500.00	(IHSDP NEW A/C)
16	CICI BANK	77701000190	31.03.2018	429959.31	31.03.2018	429959.31	0.00	(ANNUAL MAINTENANCE GRANT)
17	SBI BANK (Current A/C)	11083459557	31.03.2018	1449516.90	31.03.2018	1159457.90	290059.00	Treasury link A/C
18	UBI, Bhawanipatna	600202010000731	31.03.2018	1029438.00	31.03.2018	1029438.00	0.00	(S.D.Account)
19	BOI, Bhawanipatna	514110210000017	31.03.2018	86226.18	31.03.2018	86226.18	0.00	Daily Collection Deposit, Old
20	IDBI Bank	1134104000003537	31.03.2018	23382.00	31.03.2018	23382.00	0.00	LPADF Fund
21	Union Bank of India	600202010000679	31.03.2018	1015331.00	31.03.2018	1015331.00	0.00	MLALAD
24	UTKAL GRAMYA BANK, BHAWANI PATNA	12207018007	31.03.2018	46637.17	31.03.2018	46637.17	0.00	(OLD RD A/C)
25	UTKAL GRAMYA BANK, BHAWANI PATNA	12207017354	31.03.2018	76590.00	31.03.2018	76590.00	0.00	(OLD IHSDP A/C)
26	Oriental Bank of Commerce	16932191015970	31.03.2018	54705.00	31.03.2018	54705.00	0.00	(Special Problem Fund)
27	Indian Overseas Bank	70701000006767	31.03.2018	0.00	31.03.2018	0.00	0.00	(Public Toilet grant)
28	Bank of India	514110100004827	31.03.2018	11515.00	31.03.2018	11515.00	0.00	
29	KAGB Bank	26/5866	31.03.2018	11621.00	31.03.2018	11621.00	0.00	PMIUPEP Account
30	KAGB Bank	19/4435	31.03.2018	1650.00	31.03.2018	1650.00	0.00	NRV Account
31	Andhra Bank	2213	31.03.2018	5826.80	31.03.2018	5826.80	0.00	MPLAD
32	SBI, Municipal Fund	5852	31.03.2018	12706.15	31.03.2018	12706.15	0.00	
33	BOI, Municipal Fund	514110100004493000	31.03.2018	11822.00	31.03.2018	11822.00	0.00	
34	AXIS Bank, Bhawanipatna	914010005210274	31.03.2018	48312.00	31.03.2018	48312.00	0.00	(Harishchandra Sahayata Scheme)

	na							
35	AXIS BANK	932010060044746	31.03.2018	115336.74	31.03.2018	115336.74	0.00	(Shop/Complex
36	IDBI BANK	1134104000037873	31.03.2018	1771401.00	31.03.2018	1771401.00	0.00	WODC
37	IDBI BANK	1134104000040354	31.03.2018	123367.00	31.03.2018	123367.00	0.00	ANGANWADI CENTRE(AWC
38	IDBI BANK	1134104000044156	31.03.2018	2869324.00	31.03.2018	2869324.00	0.00	(DEVOLUTION FUND/NIGHT SHELTER
39	AXIS BANK.	914010005078902	31.03.2018	1445946.00	31.03.2018	1445946.00	0.00	(NULM
40	IOB,Bh.Patna.	70701000017760	31.03.2018	14103.00	31.03.2018	14103.00	0.00	Performance Based Incentives(PBI)
41	AXIS Bank	914010046980574	31.03.2018	23223942.00	31.03.2018	23223942.00	0.00	Swachha Bharat Mission
42	State Bank of India	35650477245	31.03.2018	489631.50	31.03.2018	489631.50	0.00	Current Account(EPF
43	IDBI Bank	1134104000055903	31.03.2018	981831.00	31.03.2018	981831.00	0.00	(MOTOR VEHICLE TAX)
44	Allahabad Bank	50333863717	31.03.2018	7020.00	31.03.2018	7020.00	0.00	(Solid Waste Managemen)
45	Syndicate Bank	80732200002707	31.03.2018	783666.01	31.03.2018	783666.01	0.00	(CREATION / MAINTENANCE OF CAPITAL ASSETS)
46	ICICI BANK	77701000602	31.03.2018	1462660.00	31.03.2018	1462660.00	0.00	SOLID WASTE MANAGEMENT
47	DCB Bank	21711500000541	31.03.2018	351003.00	31.03.2018	351003.00	0.00	
48	State Bank of India	4643	31.03.2018	1618.00	31.03.2018	1618.00	0.00	
49	State Bank of India	4632	31.03.2018	6038.52	31.03.2018	6038.52	0.00	
50	ICICI Bank(Maintenanc e of Roads & Bridges)	77701000609	31.03.2018	3758002.00	31.03.2018	3758002.00	0.00	Maintenance of Roads & Bridges
51	ICICI Bank(Maintenanc e of NRB)	77701000610	31.03.2018	475773.00	31.03.2018	475773.00	0.00	Maintenance of NRB
	P/L Account(Grant Account) Treasury, Bhawanipatna	844800102009916000	31.03.2018	86365923.00	31.03.2018	86365923.00	0.00	

		Total Rs.		167690310. 76		166887751. 76	802559.0 0	
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There is discrepancy of Rs 802559 between the cash book & pass book as on 31.03.18. The detail of the same is furnished below.

<u>Axis bank A/C no 812010100004824</u>		
CB as per cash book as on 31.03.18	958359.00	
Shown expenditure vide Vr no 746/27.03.18 but not encased till 31.03.18 (enacted on 03.05.18)	512000	
CB as per pass book as on 31.03.18	1470359.00	
Hence reconciled.		
<u>SBI A/C no 11083459557 (C/A)</u>		
CB as per cash book as on 31.03.18	1159457.90	
Shown expenditure during 2017-18 but not encased till 31.03.18		Encased on
Vr No 745/27.03.18	266267	18.04.18
Vr No 753/29.03.18	10000	03.04.18
Vr no 755/29.03.18	7404	05.04.18
Vr no 754/29.03.18	6388	11.04.18
CB as per pass book as on 31.03.18	1449516.90	

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

As per Letter No. 15847/F, dtd 27.04.2013 of Finance Department, the DDO shall maintain a Register for reconciliation of receipts and disbursements of scheme funds.

1. The accounting records required to be maintained under these rules may be kept in a computer based system. Where the records are so kept, it shall be the responsibility of the Executive Officer or the Director of Municipal Administration either by themselves or through any organisation approved by Government to ensure that appropriate controls and procedures are exercised for the integrity and security of the data files and programmes and storage of back up of this data and its retrieval.

(2) When accounting is done on a computerised platform, the Director of Municipal Administration may modify the information requirements of forms with regard to such fields, rows, columns or contents that are already available in the database or that are designed to be captured in other computerisation modules and, therefore, can be extracted easily for reporting.

(3) When the Director of Municipal Administration is satisfied that the computerised system has stabilised and sufficient security and backup systems have been put in place, he may request the Government to direct for dispensing with manual maintenance of such forms and registers that the deems fit for such Municipalities that have these systems in place. On receipt of such a request, the Government may thereafter direct such Municipalities to be deems fit for such Municipalities that have these systems in place. On receipt of such a request, the Government may thereafter direct such Municipalities to dispense with the manual maintenance of such forms and registers and direct that they be maintained in a computerised system only.

PARA: 6 STOCK POSITION

Bhawanipatna Municipality - 2017-2018

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

Conduct of physical verification of Stock & store (POM No. 02/01.11.18)

As per Rule 111 of O.G.F.R a physical verification of all stores should be made at least once in every year by the Head of the Office concerned or such other official as may be specially authorized by him. The physical verification of stock & store materials was carried out on 20.09.17 reported.

The following stock position is furnished by the local authority which is not at all convincing . Hence the clear picture of the stock & store materials i.e. the dead stock position i.e. all the valuable items other than consumables lying outstanding as on 31.03.2018 need to be furnished by the local authority to next audit & compliance reported.

Stock position of sanitation materials

Sl.No	Particulars	Opening balance	Receipt	Total	Utilisation	Closing Balance	SRP
1	DustBin 20Ltrs (Bucket type	0	5000	5000	800	4200	10
2	Road side bin	0	82	82	40	42	64
3	Trieyle	0	8	8	8	0	68
4	Wheel Barrow	0	91	91	50	41	78
5	Bleeching Powder	0	100	100	50	50	85
6	King fogOil	0	15	15	7	8	90
7	Gum Roof	0	20	20	10	10	91
8	Hand wash	0	200	200	120	80	92
9	Malariaoil	0	24	24	20	4	94
10	Mask	0	200	200	120	80	93
11	Phynile (Drum)	0	2	2	1	1	98
12	Phynile (Jar)	0	5	5	3	2	100

Stock Position of Electrical Goods

The stock position of electrical goods is furnished below.

SI No	Particulars	OB	Receipt	Total	Issue	Balance	Page Nos	Remarks
1	250 Watt S.V Lamp	68	200	268	263	5	19	
2	250 Watt S.V. Chock	52	100	152	142	10	39	
3	70 Watt S.V. Lamp	08	100	108	93	15	54	
4	70 Watt S.V Chock	15	50	65	35	30	72	
5	Ignitor	123	200	323	249	74	98	
6	FL Tube	36	Nil	36	19	17	105	
7	400 Watt S.V.Lamp	38	Nil	38	23	15	111	
8	400 Watt S.V Chock	26	Nil	26	15	11	117	

9	Capacitor	126	Nil	126	0	126	124
10	90 Watt LED Fitting	27	65	92	92	Nil	149
11	GI Bracket	291	Nil	291	220	71	171
12	M.S Clamps	475	Nil	475	221	254	191
13	Electronic Chock	18	50	68	28	40	205
14	90 Watt Energy Conservation Fitting	200	Nil	200	171	29	227
15	10 MM2 Cable wire	772Mtr	Nil	772Mtr	208 Mtr	564Mtr	275
16	Black tape	66	200	266	78	178	375
17	EC Holder	65	200	265	13	135	371
18	2.5 MM Service wire	3 Coil	10 Coil	13 Coil	13 Coil	Nil	326
19	EC Tube	Nil	1000	1000	952	48	355
20	LT Power Cable	1000Mtr	Nil	1000Mtr	1000Mtr	Nil	359
21	EC Chock	Nil	400	400	400	Nil	364
22	SV Holder	Nil	100	100	60	40	368

PARA: 7 INVESTMENT

Bhawanipatna Municipality - 2017-2018

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	01-04-2017	0.00	0.00	0.00	0.00	31-03-2018	0.00	31-03-2018	0.00	0.00	
	GRAND TOTAL	0.00	0.00	0.00	0.00		0.00		0.00	0.00	

DETAILS OF CB ON INVESTMENT & Comments :

POM NO 09/28.11.18

Section 115 of the Orissa Municipal Act, 1950 provides that the municipality may invest any money not required for immediate expense, either in Govt. Security or in any other form with approval of the State Govt. Investment is an important source of generation of income.

In response to POM No 09/28.11.18 local authority replied that no reply investment was made during 2017-18.

It is a sorry state of affair that the municipality has not taken any step for keeping some investment for possible future necessity .The local authority including present council is advised to create funds for investment at least in the shape of a CORPSE FUND to meet any eventuality in future. Keeping this in view steps should be taken.

1. To increase its revenue income by exploring new areas of taxation.
2. Rationalize expenditures other than salary and infra structural building
3. Ensure early Assessment of holdings including new ones.

PARA: 8 ADVANCE

Bhawanipatna Municipality - 2017-2018

S/no	Advance Outstanding as on (DD MM YYYY)	Cashbook Name	Advance Outstanding (In Rs:)	Advance Paid during the Year under Audit(In Rs:)	Total(In Rs:)	Advance adjusted during the Year under Audit(In Rs:)	Advance Outstanding as per (DD MM YYYY) Audit	Advance Outstanding Audit (In Rs:)	Advance Outstanding as per (DD MM YYYY) Cash Book	Advance Outstanding Cash Book(In Rs:)	Difference (In Rs:)	Remarks
1	01-04-2017	ACCOUNTANT CASH BOOK	16071659.28	20954400.00	37026059.28	19844050.00	31-03-2017	17182009.28	31-03-2017	17182009.28	0.00	
	GRAND TOTAL		16071659.28	20954400.00	37026059.28	19844050.00		17182009.28		17182009.28	0.00	

Comments :

In last audit report the Medical advance & Festival advance was not shown in outstanding advance position though the same were laying unadjusted till 31.03.17. Accordingly rectification has been made in the OB position of outstanding advance.

	OB as on 01.04.17	Advance paid during 2017-18	Total	Advance adjusted during 2017-18	Outstanding advance as on 31.03.18
FA advance	542000	1320000	1862000.00	1183000.00	679000.00
Medical advance	30000	380000	410000.00	392250	17750.00
Other as per last audit report	15499659.28	19254400	34754059.28	18268800	16485259.28
Total	16071659.28	20954400	37026059.3	19844050	17182009.28

The outstanding advance is alarmingly high. Local authority should take suitable steps to adjust the outstanding advance.

No reply was furnished by local authority as the local authority returned the POM Page 1 to 19 & balance is with the local authority till the closer of audit.

The year wise breakup is furnished below.

YEAR	AMOUNT
PRIOR TO 2012-13	3104094
2012-13	1351958
2013-14	1207207
2014-15	1114500
2015-16	5075000
2016-17	3658400
2017-18	1670850
TOTAL:-	17182009

Provisions of Odisha Treasury Code (OTC) prescribed for submission of vouchers in respect of advance availed within one month of availing such advance failing which the salary of such staff was to be withheld and further advance was not to be paid till full recoupment. Maintenance of Advance and Outstanding advance ledger: As per Rule 136 to 140 of Odisha Municipal Rules, 1953 an 'Advance ledger' is to be maintained in each ULB recording person wise separate accounts of such advances. Advances shall be regularly and promptly adjusted and any unspent balance of an advance shall be immediately refunded. The different accounts in the advance ledger shall be balanced quarterly and signed by the Executive officer & thus an 'Outstanding Advance ledger' is to be maintained on quarterly basis. The detail of advance position is furnished below. Necessary steps may be taken to adjust the same & compliance reported to audit. During Exit Conference the local authority produced cash books showing adjustment of Rs 1,50,000.00 made during 2018-19 out of the above advances paid during the year 2017-18. However, the authority is advised to clear up all the pending advances under intimation to audit.

ADVANCE POSITION POM NO 11/06.12.18

ADVANCE PAID AND ADJUSTED DURING THE YEAR 2017-18 ON ACCOUNTS OF BHAWNIPATNA MUNICIPALITY							
SLNO	NAME OF THE ADVANCE HOLDER	VR.NO/ DATE OF PAYMENT	AMOUNT	PURPOST	VR.NO AND DATE OF ADJUSTMENT	AMOUNT AJDUSTED	Balance As on 31.03.2018
1	Nava Durga Tent House	02/11.04.2017	100000	Opening of Jalachhatra	704/22.03.2018	100000	0
		140/31.05.2017	50000		704/22.03.2018	50000	0
		TOTAL	150000			150000	0
2	MD.Abdul Warish	03/12.04.2017	15000	Special Sanitation and Cleaning Drive for Eredication of Jundice		0	15000
		04/13.04.2017	20000	Hire Charges of Tractor		0	20000
		08/17.04.2017	20000	Repair of Municipal Tractors	121/17.05.2017	20000	0
		09/17.04.2017	75000	Servicing of JCB	52/06.05.2017	75000	0
		135/31.05.2017	25000	Advance for Cluster Review	233/29.06.2017	25000	0
		139/31.05.2017	20000	Further Advance for Cluster Review	234/29.06.2017	20000	0
		225/29.06.2017	7000	Kine House	245/29.06.2017	7000	0
		247/14.07.2017	10000	Kine House	270/31.07.2017	10000	0
		275/31.07.2017	10000	Kine House		0	10000
		308/30.08.2017	30000	Celebration of LSG Day	661/20.01.2018	30000	0
		338/25.09.2017	10000	Maintenance of Kine House		0	10000
		339/25.09.2017	10000	Sanitation contingency	551/04.12.2017	10000	0
		TOTAL	252000			197000	55000
3	Geetashree Dash	05/13.04.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1313900	186100
		64/10.05.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1580300	-80300
		164/05.06.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1466900	33100
		239/13.07.2017	1547400	Disbursement of MBPY/IGNOAP/WP/DP		1378100	169300

		296/17.08.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1514500	-14500
		333/11.09.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1407400	92600
		334/11.09.2017	200000	Disbursement of Harishchandra amount		0	200000
		379/12.10.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1401300	98700
		524/15.11.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1554200	-54200
		565/13.12.2017	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1595600	-95600
		627/02.01.2018	50000	Disbursement of Harishchandra amount		0	50000
		655/15.01.2018	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1396100	103900
		675/17.02.2018	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1602000	-102000
		694/07.03.2018	200000	Disbursement of Harishchandra amount		0	200000
		701/15.03.2018	1500000	Disbursement of MBPY/IGNOAP/WP/DP		1691500	-191500
		TOTAL	18497400			17901800	595600
4	Jitendra Kumar Dash	136/31.05.2017	20000	Special Drive on BLC vertical under PMAY	214/29.06.2017	20000	0
		704/20.03.18	20000	For work order distribution camp		0	0
		216/29.06.2017	10000	Special Drive on BLC vertical under PMAY		0	10000
		TOTAL	50000			20000	30000
5	Birshing Biroli, JE	541/23.11.2017	10000	Maintenance of Ahaar Centre		0	10000
		753/29.03.18	10000	Garden at circuit house		0	10000

		542/23.11.2017	30000	Installation of signboard at Bus Stop		0	30000
		TOTAL	50000			0	50000
6	Ganesh Mahakhuda	629/05.01.2018	80000	Celebration of Kalahandi Utsav		0	80000
		657/20.01.2018	15000	Celebration of Republic Day		0	15000
			95000			0	95000
7	Madan Mohan Rout	630/05.01.2018	10000	Swacha Sarvekshyan		0	10000
		Total	10000			0	10000
8	Sarat Kumar Sahoo,JE	683/23.02.2018	150000	Abdul Kalam Statue		0	150000
		Total	150000			0	150000
		GRAND TOTAL	19254400			18268800	985600

Medical Advance Paid to Staff and adjusted during the year their Salary

NAME OF THE ADVANCE HOLDER	VR.NO/ DATE OF PAYMENT	AMOUNT	Amount adjusted from the salary	Outstanding as on 31.03.18
Pankaj Naik,Sweeper	22/19.04.2017	10000	10000	0
Mahesh chandra Mishra	23/01.05.2017	50000	50000	0
Pitam Naik,Sweeper	29/01.05.2017	10000	9000	1000
Raju Behera,Sweeper	30/01.05.2017	10000	10000	0
Abhiimanyu Durga,Sweeper	31/01.05.2017	10000	10000	0
Antaram Tandi,,Sweeper	32/01.05.2017	10000	10000	0
Krushna Chandra Sabar, Roller Driver	62/10.05.2017	15000	15000	0
Madan Mohan Rout, Jr.Asst.	63/10.05.2017	15000	15000	0

Laxman Lal Singh, Peon	68/17.05.2017	15000	15000	0
Laxman Lal Singh, Peon	223/29.06.2017	50000	50000	0
Prakash Behera, Sweeper	69/17.05.2017	10000	10000	0
Kishor Kumar Pattnaik, Peon	70/17.05.2017	10000	9000	1000
Jitendra Kumar Meher, Sweeper	71/17.05.2017	10000	10000	0
Bansi Naik, Sweeper	149/05.06.2017	5000	3750	1250
Goutam Sagar, Sweeper	182/27.06.2017	15000	15000	0
Budu Naik, Sweeper	183/27.06.2017	10000	10000	0
Lakhiram Kunar	220/29.06.2017	40000	40000	0
Nandulal Naik	224/29.06.2017	50000	50000	0
Bindulal Naik, Sweeper	340/25.09.2017	10000	10000	0
Basanta Naik, Sweeper	563/07.12.2017	15000	10500	4500
Birshingh Biroli, JE	753/29.03.2018	10000	0	10000
GRAND TOTAL		380000	362250	17750
Outstanding advance of 2016-17				
Kartika tandi	410/03.9.16	10000	10000	0
Manoj Deep	411/03.09.16	10000	10000	0
Basanta Naik, Sweeper	413/03.09.16	10000	10000	0
GRAND TOTAL		30000	30000	0

Festival advance paid during 2016-17 adjusted during 2017-18 is furnished below. Festival advance paid during 2016-17 adjusted during 2017-18 is furnished below.

Details of Festival Advance adjusted during 2017-18

GENERAL SECTION				
Name	designation	Amount due as on 01.04.17	Adjusted during the year 2017-18 from the salary	Outstanding as on 31.03.18
		456/03.10.16		
Biswambhar Mishra			0	0
Md. Abdul Warsish		6000	6000	0
Sribatsa Mahapatra			0	0
S.N. Pattnaik		6000	6000	0
Prabin Kumar Naik		6000	6000	0
			0	0
TAX SECTION			0	0
P.K Mishra		6000	6000	0
MM Rout		6000	6000	0
Naimish Sahu		6000	6000	0
			0	0

LIGHT SECTION			0	0
M.A. Kalam		6000	6000	0
MK Agasti		6000	6000	0
WORKS SECTION			0	0
Sameer Kumar Thakur			0	0
Hem Kumar Naik			0	0
Birsingh Biroli		6000	6000	0
K.C.Sabar		6000	6000	0
			0	0
HOMOEOPATHY SECTION			0	0
S. Sharma		6000	6000	0
Dr Bibhuti Bhusan Patel		6000	6000	0
GR Naik			0	0
			0	0
UBS SECTION			0	0
Geetashri Dash			0	0
Chandana Mishra			0	0
			0	0
CLUB SECTION			0	0
17		6000	6000	0
			0	0
PARK SECTION			0	0
Jogendra Patel		6000	6000	0
S.S. Mahakud		6000	6000	0
			0	0
OCTOROI SECTION			0	0
D.N. Thakur		6000	6000	0
Lsunanai		6000	6000	0
L.Singh		6000	6000	0
Someswar Mahapatra		6000	6000	0
P.K.Goud		6000	6000	0
M.CMishra		6000	6000	0
S.R Sudhakar		6000	6000	0
K.K. Pattnaik		6000	6000	0
A.K Gahir		6000	6000	0
Abhimanyu Parida		12000	1500	10500
SCAVANGING SECTION			0	0
Premnath Naik		6000	6000	0
Sitaram Naik		6000	6000	0
Lakhiram Kumar		6000	6000	0
Sukru Naik		6000	6000	0
Gokul Deep		6000	6000	0

Goutam Sagar		6000	6000	0
Rama ch Kumar		6000	6000	0
Manu Deep		6000	6000	0
Bira Deep		6000	6000	0
Rabi Deep		6000	6000	0
Antaram Tandi		6000	6000	0
Basanta Naik		6000	6000	0
Ajit Naik		6000	6000	0
Dukha Deep		6000	6000	0
Pritam Naik		6000	6000	0
Niran Naik		6000	6000	0
Jagabandhu Naik		6000	6000	0
Kishore Behera		6000	6000	0
Nandulal Naik		6000	6000	0
Ram Chandra Naik		6000	6000	0
Chiranjibi Bag		6000	6000	0
Ratha Pandey		6000	6000	0
Jagdish Kumar		6000	6000	0
Purandar Naik		6000	6000	0
Kartik Tandi		6000	6000	0
Iswar behera		6000	6000	0
Shanti dei		6000	6000	0
Basanta sindur		6000	6000	0
Chandra Raj bahadur		6000	6000	0
Phultuli Dei		6000	6000	0
Work charged SECTION			0	0
Bidya Naik		6000	6000	0
Laxman naik		6000	6000	0
Bansi naik		6000	6000	0
Hema ch sahu		6000	6000	0
Honorarium			0	0
Malayananda Pattanaik		6000	6000	0
Contractual / consolidated section			0	0
Sarat Kumar Sahoo	JE	6000	6000	0
B.K Mishra	ELECTRICIAN	6000	6000	0
H.K. Naik	ATC	6000	6000	0
S.K. Pattanayak	CA	6000	6000	0
J.K.Dash	CA	6000	6000	0
Ashis Panda	MIS	6000	6000	0
Ganesh Mahakud	ACCOUNTANT	6000	6000	0
Jagannath Naik	DRIVER	4000	4000	0

Sangram Rout	DRIVER	4000	4000	0
Chandradhwaj Katta	DRIVER	4000	4000	0
Jitendra Meher	TRUCK DRIVER	4000	4000	0
Rudra Prasad Naik	TRUCK HELPER	4000	4000	0
Budu Naik	MALI	4000	4000	0
Kusa Rout	MALI	4000	4000	0
Abhimanyu Patel	MALI	4000	4000	0
Abhimanyu Durga	WATCHER	4000	4000	0
Nirakar Deep	SWEEPER	7000	6000	1000
Rupesh Deep	SWEEPER	4000	4000	0
Kalia Naik	SWEEPER	4000	4000	0
Biswanath Naik	SWEEPER	4000	4000	0
Lalu Naik	SWEEPER	4000	4000	0
Trinath Sagar	SWEEPER	4000	4000	0
Rabindra Naik	SWEEPER	4000	4000	0
Bindulal Naik	SWEEPER	4000	4000	0
Rajesh Naik	SWEEPER	4000	4000	0
Manoj Deep	SWEEPER	5000	5000	0
Suresh Suna	SWEEPER		0	0
Prakash Behera	SWEEPER	4000	4000	0
Pankaj Naik	SWEEPER	4000	4000	0
Siva Sindur	SWEEPER	4000	4000	0
Arabina Naik	SWEEPER	5000	5000	0
Krushna Chandra deep	SWEEPER	4000	4000	0
Raju Behera	SWEEPER	4000	4000	0
Sanjaya Behera	SWEEPER	5000	5000	0
Hiralal Deep	SWEEPER	4000	4000	0
Arjun Deep	SWEEPER	4000	4000	0

Sarada Sabar	SWEeper	4000	4000	0
Sukanta Naik	SWEeper	4000	4000	0
Deepak Ku. Behera	SWEeper	4000	4000	0
Sagar deep	SWEeper	4000	4000	0
	Total	542000	530500	11500

Festival advance paid during 2017-18 & the realisation there of

Name	designation	Vr No & Date of Advance Paid	Adjusted during the year 2017-18 from the salary	Outstanding as on 31.03.18
		319/06.09.17		
Biswambhar Mishra				
Md. Abdul Warsish		15000	7500	7500
Sribatsa Mahapatra				0
S.N. Pattnaik		15000	7500	7500
Prabin Kumar Naik		15000	7500	7500
				0
TAX SECTION				0
P.K Mishra		15000	7500	7500
MM Rout		15000	7500	7500
Naimish Sahu		15000	7500	7500
				0
LIGHT SECTION				0
M.A. Kalam		15000	7500	7500
MK Agasti		15000	7500	7500
WORKS SECTION				0
Sameer Kumar Thakur				0
Hem Kumar Naik				0
Birsingh Biroli		15000	7500	7500
K.C.Sabar		15000	7500	7500
				0
HOMOEIO SECTION				0
S. Sharma		15000	7500	7500
Dr Bibhuti Bhusan Patel		15000	1500	13500
GR Naik				0
				0
UBS SECTION				0

Geetashri Dash		15000	7500	7500
Chandana Mishra		15000	4500	10500
				0
CLUB SECTION				0
M>Majhi		15000	7500	7500
				0
PARK SECTION				0
Jogendra Patel		15000	7500	7500
S.S. Mahakud		15000	7500	7500
				0
OCTOROI SECTION				0
D.N.Thakur		15000	7500	7500
KS sunanai		15000	7500	7500
L.Singh		15000	7500	7500
Someswar Mahapatra		15000	7500	7500
P.K.Goud		15000	7500	7500
M.C Mishra		15000	7500	7500
S.R		15000	7500	7500
Sudhakar				
K.K. Pattnaik		15000	7500	7500
A.K Gahir		15000	7500	7500
Abhimanyu Parida				0
SCAVANGING SECTION				0
Premnath Naik		15000	7500	7500
Sitaram Naik		15000	7500	7500
Lakhiram Kumar		15000	7500	7500
Sukru Naik		15000	7500	7500
Gokul Deep		15000	7500	7500
Goutam Sagar		15000	7500	7500
Rama ch Kumar				0
Manu Deep		15000	7500	7500
Bira Deep		15000	7500	7500
Rabi Deep		15000	7500	7500
Antaram Tandi		15000	7500	7500
Basanta Naik		15000	7500	7500
Ajit Naik		15000	7500	7500
Dukha Deep		15000	7500	7500
Pritam Naik		15000	7500	7500
Niran Naik		15000	7500	7500
Jagabandhu Naik		15000	7500	7500
Kishore Behera		15000	7500	7500
Nandulal Naik		15000	7500	7500
Ram Chandra Naik		15000	7500	7500

Chiranjibi Bag		15000	7500	7500
Ratha Pandey		15000	7500	7500
Jagdish Kumar		15000	7500	7500
Purandar Naik		15000	7500	7500
Kartik Tandi		15000	7500	7500
Iswar behera		15000	7500	7500
Shanti dei		15000	7500	7500
Basanta sindur		15000	6000	9000
Chandra Raj bahadur		15000	7500	7500
Phultuli Dei		15000	7500	7500
Work charged SECTION				0
Bidya Naik		15000	7500	7500
Laxman naik		15000	7500	7500
Bansi naik		15000	7500	7500
Hema ch sahu		15000	7500	7500
Honorarium				0
Malayananda Pattanaik		15000	7500	7500
				0
Sarat Kumar Sahoo	JE	15000	7500	7500
B.K Mishra	ELECTRICIAN	15000	7500	7500
H.K. Naik	ATC	15000	7500	7500
S.K. Pattanayak	CA	15000	7500	7500
J.K.Dash	CA	15000	7500	7500
Ashis Panda	MIS	15000	7500	7500
Ganesh Mahakud	ACCOUNTANT	15000	7500	7500
Jagannath Naik	DRIVER	10000	5000	5000
Sangram Rout	DRIVER	10000	5000	5000
Chandrathwaj Katta	DRIVER	10000	5000	5000
Jitendra Meher	TRUCK DRIVER	10000	5000	5000
Rudra Prasad Naik	TRUCK HELPER	10000	5000	5000
Budu Naik	MALI	15000	7500	7500
Kusa Rout	MALI	10000	5000	5000
Abhimanyu Durga	WATCHER	10000	5000	5000
Nirakar Deep	SWEEPER	10000	8000	2000
Rupesh Deep	SWEEPER	10000	5000	5000
Kalia Naik	SWEEPER	10000	5000	5000
Biswanath Naik	SWEEPER	10000	5000	5000

Lalu Naik	SWEeper	10000	5000	5000
Trinath Sagar	SWEeper	10000	5000	5000
Rabindra Naik	SWEeper	10000	5000	5000
Bindulal Naik	SWEeper	10000	5000	5000
Rajesh Naik	SWEeper	10000	5000	5000
Manoj Deep	SWEeper	10000	5000	5000
Suresh Suna	SWEeper			0
Prakash Behera	SWEeper	10000	5000	5000
Pankaj Naik	SWEeper	10000	5000	5000
Siva Sindur	SWEeper	10000	5000	5000
Arabina Naik	SWEeper	10000	5000	5000
Krushna Chandra deep	SWEeper	10000	5000	5000
Raju Behera	SWEeper	10000	5000	5000
Sanjaya Behera	SWEeper	10000	5000	5000
Hiralal Deep	SWEeper	10000	5000	5000
Arjun Deep	SWEeper	10000	5000	5000
Sarada Sabar	SWEeper	10000	5000	5000
Sukanta Naik	SWEeper	10000	5000	5000
Deepak Ku. Behera	SWEeper	10000	5000	5000
Sagar deep	SWEeper	10000	5000	5000
	Total	1320000	652500	667500

Advance remain un-adjusted for more than one year (Surchargeable advance) pom no 12/07.12.18

In pursuance of G.O NO.2221 / F.DTD 8.3.2002 read with letter no.15179 /DLFA, dtd.28.9.13 of Director, Local Fund Audit, Odisha, advance remaining unadjusted for more than one year is treated as loss to the Auditee Institution. Such advances are to be suggested for recovery through surcharge proceeding as per the said G.O by fixing up responsibility on the sanctioning authority who have sanctioned the advance but failed to adjust the same and the advance payee jointly. Further in case where the auditee organization does not disclose the information with regard to outstanding advance with supporting vouchers before audit the official and personnel in position of the relevant periods are also to be surcharged for the total amount of outstanding advance. Subsequently the Govt. in Finance Deptt. in their circular no.114 /F. DTD.5.1.2004 has clearly instructed that advance against Govt. transaction cash book of P.S ,ULBs and other organization is also come under surcharge proceedings.

The following are the details of such advances paid during the year 2016-17 as mentioned in the last audit report, but remained unadjusted for

more than year i.e. till 31.3.18. An amount of Rs.3446900.00 needs immediate recovery from the person concerned held responsible

The detail of advance position is furnished below. Necessary steps may be taken to adjust the same & compliance reported to audit.

ADVANCE PAID DURING 2016-17 BUT NOT ADJUSTED TILL 31.03.2018						Amount adjusted during 18-19
SLNO	NAME OF THE ADVANCE HOLDER	VR.NO AND DATE	AMOUNT	PURPOSE	NAME OF SANTIONING AUTHORITY	
1	M/S Sadyogi Technology Service	394/05.08.2016	300000	Installation of Software for Tax	Biswambhar Mishra,EX-EO	Vr- 8 A/13.4.18 Rs 3,00,000/-
		512/25.10.2016	500000		Biswambhar Mishra,EX-EO	Vr-8A/13.4.18 Rs 5,00,000/-
		Total Rs.	800000			800000
2	Geetashree Dash,Co	625/23.12.2016	10000	Arrangement of PMAY Meeting	Biswambhar Mishra,EX-EO	Vr-28 C/28.4.18 Rs 10,000/-
		Total Rs.	10000			10000
3	Ashish Kumar Panda,MIS	164/30.05.2016	6000	Swachha Bharat Mission	Loknath Kumar Tiwari-Ex-EO	
		356/13.07.2016	3000	TA advance	Loknath Kumar Tiwari-Ex-EO	
		Total Rs.	9000			0
4	Birsing Biroli,JE	484/07.10.2016	50000	Special Repair of Road	Biswambhar Mishra,EX-EO	Vr-28 B/28.4.18 Rs 50,000/-
		Total Rs.	50000			50000
5	K.B.Hans,SI	269/05.07.2016	201400	Dengue Eradiction.	Loknath Kumar Tiwari-Ex-EO	Vr-58 A/30.4.18 Rs 2,01,400/-
		Total Rs.	201400			201400
6	Naimish Kumar Sahu,Jr.Asst.	163/27.05.2016	10000	Stationary Contingency.	Loknath Kumar Tiwari-Ex-EO	
		380/13.07.2016	10000	-do-	Loknath Kumar Tiwari-Ex-EO	
		Total Rs.	20000			
7	Hemanta Kumar Naik,TC	71/03.05.2016	25000	Maintenance of JCB	Loknath Kumar Tiwari-Ex-EO	
		Total Rs.	25000			
8	Loknath Tiwari,Ex-EO	34/18.04.2016	25000	TA advance	Loknath Kumar Tiwari-Ex-EO	
		Total Rs.	25000			
9	Mahesh Ch. Mishra	136/25.05.2016	10000	Maintenance of Vehicle	Loknath Kumar Tiwari-Ex-EO	
		177/09.06.2016	30000	Sanitation contingency	Loknath Kumar Tiwari-Ex-EO	
		482/07.10.2016	50000	Sanitation Advance	Biswambhar Mishra,EX-EO	Vr-8 B/13.4.18 Rs 50,000/-
		Total Rs.	90000			50000

10	Sarat Kumar Sahoo,JE	68/30.04.2016	100000	Const.of Boundary Wall of LBS Stadium	Loknath Kumar Tiwari-Ex-EO	Vr-28 D/28.4.18 Rs 1,00,000/-
		274/05.07.2016	100000	Development Work.	Loknath Kumar Tiwari-Ex-EO	Vr-28 E/28.4.18 Rs 1,00,000/-
		332/13.07.2016	300000	Development Work.	Loknath Kumar Tiwari-Ex-EO	Vr-28 F/28.4.18 Rs 3,00,000/-
		462/05.10.2016	50000	Development Work.	Biswambhar Mishra,EX-EO	Vr-28 A/28.4.18 Rs 50,000/-
		Total Rs.	550000			550000
11	Someswar Mohapatra,TC	75/03.05.2016	16500	Prativa Competition	Loknath Kumar Tiwari-Ex-EO	
		Total Rs.	16500			0
12	SRI.T.D.MAJHI,JE	8/02.04.2016	300000	Construction of Ahaar Outlet	Loknath Kumar Tiwari-Ex-EO	
		9/02.04.2017	80000	Development Work	Loknath Kumar Tiwari-Ex-EO	
		10/02.04.2016	50000	Development Work	Loknath Kumar Tiwari-Ex-EO	
		50/23.04.2016	50000	Inaugration of Ahaar Centre	Loknath Kumar Tiwari-Ex-EO	
		64/28.04.2016	100000	Const.of road inside last portion at Balram Nagar in ward no.02	Loknath Kumar Tiwari-Ex-EO	
		65/30.04.2016	50000	inaugration of Manikeswari Nagar at Kusa Dongri	Loknath Kumar Tiwari-Ex-EO	
		84/09.05.2016	25000	WORK CONTINGENCY ADVANCE	Loknath Kumar Tiwari-Ex-EO	
		105/12.05.2016	100000	Work advance	Loknath Kumar Tiwari-Ex-EO	
		110/17.05.2016	600000	Const.of BT road from At Reserve Barrack in ward no.04	Loknath Kumar Tiwari-Ex-EO	
		111/17.05.2016	25000	Work advance	Loknath Kumar Tiwari-Ex-EO	
		151/27.05.2016	65000	WORK ADVANCE	Loknath Kumar Tiwari-Ex-EO	
		179/09.06.2016	80000	Slab Piece over the drain during Chhatar Yatra	Loknath Kumar Tiwari-Ex-EO	
		182/09.06.2016	50000	Eviction Work	Loknath Kumar Tiwari-Ex-EO	
		212/21.06.2016	60000	Work Contingency Advance	Loknath Kumar Tiwari-Ex-EO	
		231/23.06.2016	15000	Work Contingency Advance	Loknath Kumar Tiwari-Ex-EO	
		357/13.07.2016	100000	Cleaining of Bhagabari Dumping Yard	Loknath Kumar Tiwari-Ex-EO	
		387/13.07.2016	100000	Work advance	Loknath Kumar Tiwari-Ex-EO	
		Total Rs.	1850000			0
		Grand Total Rs.	3646900			16,61,400/-

SURCHARGEABLE ADVANCE	
MEDICAL ADVANCE	0
FESTIVAL ADVANCE	11500

OTHERS	3646900
TOTAL	3658400

No reply was furnished by local authority as the local authority returned the POfm Page 1 to 19 & balance is with the local authority till the closer of audit.

The outstanding advance position as on 31.03.18 paid during 2016-17 is Rs 3658400. out of this Rs 1000 outstanding advance of Nirakara Deep is adjusted in salary of Apr-2018 so the same amount is not surcharged here. During Exit Conference the local authority produced cash book entries showing adjustment of Rs 16,61,400.00 out of the above outstanding advances for the year 2016-17 which was verified and found correct. Hence the net surchargeable advance amount comes to Rs 19,96,000.00 (36,58,400.00 - 1,000.00 - 16,61,400.00) and hence the local authority is advised to make adjustment of those advances as soon as possible under intimation to audit. However, the said unadjusted advance amount of Rs 19,96,000.00 is now surcharged from the advance holder and the sanctioning authority in equal share. It is to be noted here that Rs 10500 outstanding amount of Abhimanyu Parida is not possible as the where about of the person concerned is not known. So the same is surcharged against the sanctioning authority.(srl Biswambara Mishra,EO).

No reply was furnished by local authority as the local authority returned the POfm Page 1 to 19 & balance is with the local authority till the closer of audit. Hence Para stands.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs.)
1	BISWAMBARA MISHRA	EO	AT PRESENT EO BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	10500
2	ASHIS KU PANDA	MIS	AT PRESENT MIS BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	4500
3	Mahesh Mishra	Tax Collector	At- Bhawanipatna Municipality, Dist- Kalahandi	20000
4	NAMISH KU SAHU	JR ASSISTANT	JR ASSISTANT BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	10000
5	HEMANTA KU NAIK	TC	TC BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	12500
6	SOMESWAR MAHAPATRA	ATC	ATC BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	8250
7	TAMRADWAJ MAJHI	EX JE	JE KHARIAR NAC DIST KALAHANDI	925000
8	LOKANATH TIWARI	EO	EO BELPAHAD MUNICIPALITY DIST KALAHANDI	1005250

PARA: 9 GRANTS

Bhawanipatna Municipality - 2017-2018

S/no	Grants Outstanding as on (DD MM YYYY)	Grants Outstanding (In Rs:)	Grants Received during the Year under Audit(In Rs:)	Total(In Rs:)	Grants Spent during the Year under Audit(In Rs:)	Grants unspent as on (DD MM YYYY)	Grants unspent (In Rs:)	Remarks
1	01-04-2017	156396477.00	190247107.00	346643584.00	213417102.00	31-03-2018	133226482.00	
	GRAND TOTAL	156396477.00	190247107.00	346643584.00	213417102.00		133226482.00	

Comments :

POM No 14/12.12.18

GRANT STATEMENT FOR THE YEAR 2017-18							
SLNO	HEAD OF ACCOUNT	O.B.AS ON 01.04.2016	G.O.NO/DATE	RECEIPT	TOTAL	EXPENDITURE	CLOSING BALANCE
1	Compensation & Assignment in lieu of Octroi		13736/HUD DTD.19.06.2017	28302000	28302000		
			30385/HUD DTD.23.12.2017	14095000	14095000		
			5214/HUD DTD.23.02.2018	14094000	14094000		
	Sub Total	6044440	0	56491000	62535440	44396881	18138559
2	Road Development			0	0		
	Sub total	1888278		0	1888278	1440264	448014
3	Animal Birth Control			0			
	Sub total	465256		0	465256	0	465256
4	Motor Vehicle Tax		18797/HUD dtd.19.08.2017	2779000	2779000		
			3415/HUD dtd.05.02.2018	2778000	2778000		
	Sub Total	5424743		5557000	10981743	4260246	6721497
5	AMP(Non-Residential Building)	0	3498/HUD DTD.06.02.2018	474000	474000		0
	Sub Total	0		474000	474000	0	474000
8	SWM						
	Sub Total	2079000		0	2079000	0	2079000
9	Performance Based Incentives			0	0		
	Sub Total	0		0	0	0	0
10	AMP(Maintenance of Road and Bridges)	3649733	3488/HUD DTD.06.02.2018	3744000			0
	Sub Total	3649733		3744000	7393733	3649733	3744000
11	LPADF	7415922					
	Sub Total	7415922	0	0	7415922	7415922	0
12	13 Finance Commission	0		0	0		0
	Sub Total	0		0	0	0	0
13	IHSDP				0		
	Sub Total	6668908		0	6668908	0	6668908
14	BIJU KBK		634 DTD. 24.04.2017	1324000	1324000		

	Sub Total	0	0	1324000	1324000	1324000	0
15	Accounting Reforms under Accrual Based accounting system						
	Sub Total	80000		0	80000	0	80000
19	Protection and Conservation of Water Bodies	1052138		0	0	0	
	Sub Total	1052138		0	1052138	0	1052138
21	MPLAD		611/24.04.2017	800000			
			1536/12.12.2017	1000000			
			1573/16.12.2017	500000			
	Sub Total Rs.	1425439		2300000	3725439	1270044	2455395
22	BRGF	-3191867		0		0	
	Sub Total Rs.	-3191867		0	-3191867	844045	-4035912
23	MLALAD		1943/DRDA DTD.18.04.2017	2200000			
	Sub Total Rs.	853682		2200000	3053682	1571114	1482568
27	WODC		389/29.03.2017	1300000			
	Sub Total Rs.	6355298		1300000	7655298	3688434	3966864
30	NRYS(SUME)			0	0		
	Sub Total Rs.	13000		0	13000	0	13000
31	HR for SC/ST			0			
	Sub Total Rs.	2300		0	2300	0	2300
32	Renovation of Asha Sagar			0			
	Sub Total Rs.	35000		0	35000	0	35000
33	Kalyani Mandap			0	0		
	Sub Total Rs.	0		0	0	0	0
34	House for SC/ST			0	0		
	Sub Total Rs.	17700		0	17700	0	17700
35	10th FCA			0			
	Sub Total Rs.	64744		0	64744	0	64744
36	FDR			0	0		
	Sub Total Rs.	0		0	0	0	0
37	11th FCA			0	0		
	Sub Total Rs.	0		0	0	0	0
38	SR for Office			0	0		
	Sub Total Rs.	20000		0	20000	0	20000
39	USEP			0	0		
	Sub Total Rs.	0		0	0	0	0
40	12th FCA			0	0		
	Sub Total Rs.	0		0	0	0	0
41	Development of Park			0	0		
	Sub Total Rs.	0		0	0	0	0
42	Urban Tourism Destination			0	0		
	Sub Total Rs.	0		0	0	0	0

43	NFBS			200000			
	Sub Total Rs.	400900		200000	600900	400000	200900
45	Endowment Grant	16697		0	16697	0	16697
	Sub Total Rs.	16697		0	16697	0	16697
49	MBPY/IGNOAP/WP/DP		148/04.04.2017	2377800			
			294/05.07.2017	2377800			
			377/11.08.2017	2377800			
			473/11.10.2017	2317800			
			675/12.12.2017	2317800			
			765/17.02.2018	2317800			
			147/06.04.2017	1036800			
			295/05.07.2017	1036800			
			376/11.08.2017	1036800			
			478/11.10.2017	1036800			
			677/12.12.2017	1036800			
			Online	75800			
			Online	81400			
			Online	44400			
			Online	6000			
			Online	75800			
			Online	110146			
	Sub Total Rs.	14604800		19664346	34269146	17108300	17160846
57	Devolution of Fund		18503/HUD DTD.16.08.2017	9449000	9449000		
			3435/HUD DTD.05.02.2018	9450000	9450000		
	Sub Total Rs.	25590016		18899000	44489016	28614064	15874952
58	UIDSSMT			0	0		
	Sub Total Rs.	0		0	0	0	0
					0		
59	SDP		1941/DRDA DTD.18.07.2017	500000	0		
	Sub Total Rs.	0		500000	500000	302674	197326
62	City Development Plan						
	Sub Total Rs.	714189		0	714189	0	714189
63	Local Festival			0	0		
	Sub Total Rs.	0		0	0	0	0
64	Development of Nightly Shelter			0	0		
	Sub Total Rs.	3000000		0	3000000	1116651	1883349
66	Harishchandra Yojna	0		200000	0	0	450000
				250000			
	Sub Total Rs.	0		450000	450000	0	450000
67	Kalahandi Group of Temples			0	0		
	Sub Total Rs.	86000		0	86000	0	86000
68	AWC Building			0	0		

	Sub Total Rs.	3400000		0	3400000	0	3400000
69	Accountant & MIS			0	121500		
	Sub Total Rs.	121500		0	121500	0	121500
70	NULM			22261			
			2007/HUD DTD.15.09.2017	402000			
			2010/HUD DTD.15.09.2017	268000			
			2472/SUDA DTD.02.11.2017	288000			
			2475/SUDA DTD.02.11.2017	192000			
			20397/HUD DTD.05.09.2017	127800			
			20397/HUD DTD.05.09.2017	85200			
	Sub Total Rs.	-67020		1385261	1318241	480000	838241
73	National Voter's Day and Remuneration to BLO.			0	0	0	9000
	Sub Total Rs.	9000		0	9000	0	9000
74	Remuneration to Nos/VO/Supervisors			0	0		
	Sub Total Rs.	127820		0	127820	0	127820
75	14th FC		18473/HUD DTD.16.08.2017	14926000	14926000		
			30505/HUD DTD.26.12.2017	14765000	14765000		
	Sub Total Rs.	41186582		29691000	70877582	66802146	4075436
76	Swachha Bharat Mission			0	9550712	0	9550712
				15116100			
				98000			
				1502000			
	Sub Total Rs.	9550712		16716100	26266812	2465476	23801336
77	Ahaar Society					0	
	Sub Total Rs.	4578919	0	0	4578919	0	4578919
76	Honorarium, Sitting Fee,Ta/DA etc for elected Representatives		17435/HUD DT.01.08.2017	71400			
			0				
	Sub Total Rs.	124600		71400	196000	89100	106900
77	Provision of User end detering of Water Supply			0	0		
	Sub Total Rs.	0		0	0	0	0
78	Creation of Capital Assets for Revenue Generation		20278/HUD DTD.04.09.2017	949000			
			5562/HUD DTD.26.02.2018	949000			
	Sub Total Rs.	-167807		1898000	1730193	1553829	176364
79	Maintenance of Capital Assets for Revenue Generation		19682/HUD DTD.29.08.2017	453000			
			5576/HUD DTD.26.02.2018	453000			
	Sub Total Rs.	1055960		906000	1961960	0	1961960
80	Arrear Pinion & Basic		20539/HUD	13097000	13097000		

	Service		DTD.07.09.2017				
			5632/HUD DTD.26.02.2018	13039000	6466000		
	Sub Total Rs.	11278000		26136000	37414000	24362284	13051716
81	Protection of Govt.Land						
	Sub Total Rs.	160000		0	160000	0	160000
82	Construction of Urdu Library	261895			261895		
	Sub Total Rs.	261895		0	261895	261895	0
83	Construction pedestal for Biju Pattnaik Statue		250/NIZ/I-04 DTD.08.06.2017	340000			
	Sub Total Rs.	0		340000	340000	0	340000
	Grand Total	156396477		190247107	346643584	213417102	133226482

On scrutiny of the grant position of was noticed that 61.57% of the total grants is utilised during 2017-18, which reveals low spending efficiency in execution of different schemes and also defeats the very purpose of the legislature for which these have been sanctioned. This non-utilization also leads to price escalation of the Projects/ scheme for which they have been sanctioned. The same be utilized at the earliest observing all the guideline of the concerned scheme in the interest of the common people ,as the same were sanctioned for socio-economic development of the rural population In response to the audit objection memo, vide **POM NO14/10.12.18**, no reply was furnished by local authority as the local authority returned the POM Page 1 to 19 & balance is with the local authority till the closer of audit.

In their compliance submitted during Exit Conference, the local authority replied that, the required percentage could not be achieved due to receipt of funds at the fag end of the financial year. From the statement of Grants furnished by the local authority it is assured that, out of the total grants for Rs 19,02,47,107.00 received during the year, a sum of Rs 4,74,98,800.00 was received during the last quarter of the financial year. The local authority also replied that, those grants were also utilised during the first quarter of the succeeding financial year 2018-19. However, the authority is advised to expedite the flow of utilisation of Govt grants by using all of its mechanism.

The year wise unutilised grant position is furnished below.

YEAR	AMOUNT
1997-98	69697
2000-01	64744
2002-03	35000
2009-10	8188337
2012-13	465256
2013-14	4153754
2014-15	7072607
2015-16	818593
2016-17	2132122
2017-18	110226372
Total:-	133226482

As per Section IV of Appendix 10 of OGFR, the following guidelines are prescribed.

For Non-recurring Grant:-

- In the sanction order, the period within which and the object Purpose for which the grant is to be utilised is to be mentioned;
- If the grant is actually paid towards the end of the financial year, the time limit for 6 months or 1 year from the date of drawl or some other fixed time should be prescribed

(c) If the local body feels that the grant cannot be spent within such prescribed period for reasons to be assigned by them, the local body concerned should move the Govt. to extend the period already fixed; As per Rule 171 of the Odisha General Financial Rules (OGFR) (Volume I) and instructions contained in the sanction orders, scheme funds were to be utilised in the year of receipt. Un-utilised fund, if any, may either be refunded to the Government or utilised in subsequent year with prior approval of the Government.

As per Rule 171 (2) of D.G.F.R., unless it is otherwise ordered by Government, the grant will be spent upon the object within a reasonable time, if no time-limit has been fixed by the sanctioning authority. As per Rule 171 (3) (a) of D.G.F.R., the expression 'reasonable time' should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the financial year. Immediately on the expiry of the period of one year from the date of sanction, any unspent balance out of the grant should be duly surrendered to government.

PARA: 10 UTILISATION CERTIFICATE

Bhawanipatna Municipality - 2017-2018

S/no	U.C Outstanding as on (DD MM YYYY)	U.C Outstanding(In Rs:)	U.C due for submission during the period under Audit(In Rs:)	Total(In Rs:)	U.C Submitted during the period under Audit(In Rs:)	U.C needs to be submitted as on outstanding as on (DD MM YYYY)	U.C needs to be submitted as on outstanding (In Rs:)	Remarks
1	01-04-2017	316471313.86	213417102.00	529888415.86	186277564.00	31-03-2018	343610851.86	
	GRAND TOTAL	316471313.86	213417102.00	529888415.86	186277564.00		343610851.86	

Comments :

The UC submitted during 2017-18 is furnished below

The details of U.C Submitted during the year 2017-18 under Audit						
SLNO	SCHEME		AMOUNT OF UC	YEAR OF GRANT	LETTER NO. & DATE	AUTHORITY TO WHOME SUBMITTED
1	Assignment Out of Entry Tax for Salary & Establishment.		10783000	2015-16	3297/ BPM dtd.08.11.2017	F.A-cum-Addl.Secretary to Govt.
			8655000	2016-17	3297/ BPM dtd.08.11.2017	-do-
			17311000	2016-17	3297/ BPM dtd.08.11.2017	-do-
			12983000	2016-17	3297/ BPM dtd.08.11.2017	-do-
			12643000	2016-17	3297/ BPM dtd.08.11.2017	-do-
			339000	2016-17	3297/ BPM dtd.08.11.2017	-do-
			18645890	2017-18	3766/BPM dtd.20.12.2017	-do-
			7422826	2017-18	3767/BPM dtd.20.12.2017	-do-
	Total		88782716			
2	Devolution of fund		4855560	2016-17	3296/BPM dtd.08.11.2017	F.A-cum-Addl.Secretary to Govt.
			9537000	2016-17	3296/BPM dtd.08.11.2017	-do-
			3024048	2017-18	3295/BPM dtd.08.11.2017	-do-
	Sub Total		17416608			
3	AMP(Maintenance of Roads & Bridges)		1424000	2015-16	43/BPM dtd.04.01.2018	-do-

			3744000	2016-17	43/BPM dtd.04.01.2018	
		Sub Total	5168000			
4	14th Finance Commission		14439164	2016-17	3239/BPM dtd.28.10.2017	-do-
			2089071	2015-16	28/BPM dtd.25.01.2018	-do-
			6834808	2015-16	28/BPM dtd.25.01.2018	-do-
			3494406	2016-17	28/BPM dtd.25.01.2018	-do-
			1904594	2016-17	28/BPM dtd.25.01.2018	-do-
			2464223	2017-18	28/BPM dtd.25.01.2018	-do-
		Sub Total	31226266			
5	National Urban Livelihood Mission		101000	2014-15	3769/BPM dtd.20.12.2017	-do-
			56250	2015-16	3769/BPM dtd.20.12.2017	-do-
			18750	2015-16	3769/BPM dtd.20.12.2017	-do-
			402000	2017-18	3769/BPM dtd.20.12.2017	-do-
			268000	2017-18	3769/BPM dtd.20.12.2017	-do-
			264000	2017-18	3769/BPM dtd.20.12.2017	-do-
		Sub Total	1110000			
6	Solid Waste Management		1672686	2016-17		-do-
		Sub Total	1672686			
7	Protection & Conservation of Water Bodies		4000000	2014-15	1426/BPM dtd.18.04.2017	-do-
		Sub Total	4000000			
8	Compassion for Arrear Pension and Basic Services		3933000	2015-16	3768/BPM dtd.20.12.2017	-do-
			4812000	2016-17	3768/BPM dtd.20.12.2017	-do-
			6466000	2016-17	3768/BPM dtd.20.12.2017	-do-
			8277307	2017-18	3768/BPM dtd.20.12.2017	-do-
		Sub Total	23488307			
9	Maintenance of Non-Residential Building		325315	2014-15	1802/BPM dtd.20.05.2017	-do-
			574685	2015-16	1802/BPM dtd.20.05.2017	-do-
		Sub Total	900000			
10	Creation of Capital Assets for Revenue Generation.		1920000	2015-16	3293/BPM dtd.08.12.2017	-do-
			960000	2016-17	3293/BPM dtd.08.12.2017	-do-
			960000	2016-17	3293/BPM dtd.08.12.2017	-do-
		Sub Total	3840000			
11	WODC		272981	2013-14	2786/BPM dtd.17.08.2017	The DPMU Kalahandi
			800000	2015-16	2786/BPM dtd.17.08.2017	-do-
			800000	2015-16	2786/BPM dtd.17.08.2017	-do-
			4000000	2016-17	2786/BPM dtd.17.08.2017	-do-
			750000	2016-17	2786/BPM dtd.17.08.2017	-do-
		Sub Total	6622981			
12	MLALAD		150000	2016-17	79/BPM dtd.06.01.2018	-do-

			500000	2016-17	79/BPM dtd.06.01.2018	-do-
			500000	2016-17	79/BPM dtd.06.01.2018	-do-
			900000	2017-18	79/BPM dtd.06.01.2018	-do-
		Sub Total	2050000			
		Grand Total	186277564			

As per Rule 173 of OGFR Vol-I, Utilization Certificate is to be submitted to the proper quarter by 30th June of the succeeding year of expenditure. Again as per Para 5(1) of the OM No.21241/F dtd.17.7.2014 of Finance Department submission of U.C to the sanctioning authority is required in respect of those grant-in-aid or grant sanctioned for specific purposes wherein the sanction order specifically stipulates submission of such utilization certificate. In the absence of such specific stipulation for submission of U.C, submission of U.C is not necessary. As seen from the above table it was seen that the outstanding U.C position is increasing a lot from year to year. This is happening only due to the in action on utilisation of Govt. grants and submission of U.C after utilisation of grants. If the process will continue the municipality will loss its share for obtaining Govt. grant, for which the development of municipality will hamper a lot.

The yearwise break-up of outstanding UC position is furnished below

Year	Outstanding UC position
PRIOR TO 2012-13	23134235.86
2012-13	9444251.00
2013-14	7319250.00
2014-15	72618200.00
2015-16	16371112.00
2016-17	42974995.00
2017-18	171748808.00
Total	343610851.86

No reply was furnished by local authority as the local authority returned the P.Om Page 1 to 19 & balance is with the local authority till the closer of audit.

PARA: 11 MISAPPROPRIATION & DEFALCATION**11.1 - MISAPPROPRIATION OF CASH POM NO 04/03.11.18**

On scrutiny of the MR book with reference to the DCR it was noticed that Rs 818 realised vide MR no 73 of book no 1 of holding tax on 26.10.18 was collected by Sri HK Naik was collected but not deposited & misappropriated. Further Rs 930 realised vide MR No 27625/book No 277 Dt26.10.18 the stall rent realised was collected by Sri HK Naik but not deposited till date.
In response to POM No 04/03.11.18 amount recovered & deposited in Federal bank A/C No 21920200001299 pass book 03.11.18.

11.2 - MISAPPROPRIATION OF CASH POM NO 06/13.11.15

On checking of the MR book & the DCR it was noticed that Rs 241 less credited in the DCR & the same amount was misappropriated.

Receipt No./Dt.	Amount collection	Amount shown in DCR	Balance	Remarks
Satyanjan Sudhakar,TC				
196/46- 25.04.18	2238	2236	2	Holding Tax
200/12-30.04.18	1407	1406	1	Holding Tax
4/45-30.05.18	10132	10112	20	Holding Tax
Total			23	
Dayanidhi Thakur,TC				
191/92-12.04.18	32398	32392	6	Holding Tax
186/59-24.03.18	6558	6553	5	Holding Tax
190/43-05.04.18	1314	1309	5	Holding Tax
194/15-16.04.18	4876	4796	80	Holding Tax
194/19-16.04.18	3377	3357	20	Holding Tax
197/98-27.04.18	3542	3540	2	Holding Tax
199/11-28.04.18	1083	1003	80	Holding Tax
199/45-29.04.18	26965	26945	20	Holding Tax
Total			218	
G.Total			241	

In response to POM No 06/13.11.18 the amount deposited in the pass book on 07.12.18 in Federal bank A/C 21920200001299.

11.3 - MISAPPROPRIATION OF CASH POM NO 06/13.11.15

In course of audit it was noticed Rs 35482 collected by Sri Biswakesh Mishra, Electrician was not deposited to cashier. Hence steps may be taken to recover the amount from person concerned.

Receipt No./Dt.	Amount collected
268/26794-15.09.18	700
271/27001-15.09.18	7400
75/17.09.18	2600
273/27201-17.09.18	2400

25/18.09.18	5700
82/20.09.18	1900
274/27301-20.09.18	14782
Total	35482

In response to POM No 06/13.11.18 the amount recovered & deposited in pass book on 14.11.18 IN a/c FEDERAL BANK A/C NO 21920200001299

11.4 - MISAPPROPRIATION OF CASH POM NO 10/05.12.18

As per SR 509 of Orissa Treasury Code (Vol-I) and Rule 40 to 41 of OPSAP Rules 2002 and subsequent instructions of the Finance Dept., advance granted to contractors and individuals for departmental and allied purpose were required to be promptly adjusted within one month from the date of disbursement of advance by submitting detailed account and refunding balances, if any. An advance ledger is to be maintained in each office recording person wise separate accounts of such advance and the same is to be balanced and signed by the local authority on quarterly basis. The drawing and disbursing officer will be responsible for any deviation of the same. Rule 14 of OGFR provides that every officer whose duties are to render accounts on returns in respect of public money is responsible for their completeness and strict accuracy. According to the govt. instruction, each item of outstanding advance as appearing in the cash book, the DDO is to analyze and get adjusted within one month as delay in rendering detailed accounts may lead to misappropriation of funds.

Rule 138 of Orissa Municipal Rules 1953 speaks of that

1. Money shall not be advanced unless there is reason to believe that the work for which the money is required will be completed and paid for within the financial year.
2. Advance shall be regularly and promptly adjusted.
3. Any unspent balance of an advance shall be immediately refunded.

SL No	Name of the employee	date of advance	Amount of advance paid	Purpose	Amount deposited in pass book AC No 336701000092 2	Date of deposit bank A/c	Amount paid through A/R	Balance
1	Geetashree Dash	05/13.04.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP			1313900	186100
2		64/10.05.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP	140000	12.05.17	1440300	-80300
		164/05.06.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP			1466900	33100
		239/13.07.2017	1547400	Disbursement of MBPY/IGNOAP /WP/DP			1378100	169300
		296/17.08.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP			1514500	-14500

		333/11.09.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP			1407400	92600
		379/12.10.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP			1401300	98700
		524/15.11.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP	1290000	06.11.17	1425200	-54200
		565/13.12.2017	1500000	Disbursement of MBPY/IGNOAP /WP/DP	1400000	26.12.17	1455600	-95600
		655/15.01.2018	1500000	Disbursement of MBPY/IGNOAP /WP/DP			1396100	103900
		675/17.02.2018	1500000	Disbursement of MBPY/IGNOAP /WP/DP	2000000	28.02.18	1402000	-102000
		701/15.03.2018	1500000	Disbursement of MBPY/IGNOAP /WP/DP	1845000	27.03.18	1507000	-191500
		TOTAL	18047400		793500		17108300	145600

No reply was furnished by local authority as the local authority returned the POM Page 1 to 19 & balance is with the local authority till the closer of audit. However, Rs 145600 was realised & deposited in Bank of Boroda A/C No 33670100000922 on 22.01.19 by Smt Geetashree Dash, CO.

PARA: 12 LOSS OF STOCK & STORE

12.1 -
No loss of stock & stores noticed during 2017-18.

PARA: 13 AUDIT OF RECEIPTS

13.1 - HOLDING TAX POM NO 18/26.12.18
<p>(1) Where any tax is due to be paid by the assesses, relevant department or section shall maintain a Demand, Collection and Balance Register in Form ACNT-20. (2) Such Demand, Collection and Balance Register shall be d by the respective department or section for any demand that is raised or falling due, at the beginning or during the course of the year, any collection that is made in respect of an assesses and the balance amount outstanding from the assesses. As per Rule 175 of Odisha Municipal Rule 1953 the municipality shall be divided into circles for the purpose of collection of taxes. Each circle shall be numbered and a tax collector shall be appointed in charge of one or more circles. The OM Act 1950 stipulated u/s 158 that notification shall be made and posted in the office of municipality declaring days and time for receipt of taxes u/s 159(2) any tax on the annual value of holdings shall be payable quarterly installment and every such installment shall deemed to be due on the first day of the quarter in respect of which payable u/s 159-A(1)&(2) a resolution may be passed in the municipal council to grant a rebate in respect of tax paid within stipulated period i.e. the rebate may be allowed not exceeding 10 percent (paid within 30 days) and 5 percent (paid beyond 30 days& paid within 60 days) and the municipality may in like manner provide for grant rebate at such percentage not exceeding 20% for the tax due for any year paid before 30th April and not exceeding 10 percent where it is paid on or before</p>

31st May of the year. Further u/s 160 of the Act, a receipt signed by the tax collector or any other officer authorized by the E.O was to be given against each payment of tax. Also as per Rule-201(2) and Rule-202 of O.M Rules 1953, the municipality may establish a system of reward and punishment to tax collector to ensure best results in collection of tax.

On checking receipt book of holding tax and from the information furnished to audit by the local authority it was revealed that Bhawanipatna Municipality consists of 20 wards and no specific circle exists for collection of taxes. The taxes are collected ward wise by engaging tax collectors. The taxes are received throughout the year and no notification has been made declaring days and time for receipt of taxes. No computer data base has been made relating to assessment of holding tax, number of holdings, demand of tax ,collection of tax and arrears of taxes outstanding for collection. As such the collection process is not systematic and target oriented .This has resulted in low percentage of collection leading to high accumulation of arrear dues. The details of demand, collection & percentage of collection are furnished below.

In course of audit it was noticed that in last audit report -ve balance in the balance amount which is quite impossible, as in no way the collection exceeds the demand. In order to ascertain the position the last 3 audit reports were verified. In the DCB position of 2015-16 some lapses was noticed in transfer of previous year demand. Accordingly changes have been made without affecting the demand & collection position. The new DCB position of 2017-18 is prepared on the basis of rectified DCB position. Details of the same is furnished in Para 18.3 of this report.

Name of the Tax	Demand as on 01.04.2017			Collection during the year 2017-18			Rebate	Current collection + rebate	Balance as on 31.03.2018			% of collection
	Arrear	Current	Total	Arrear	Current	Total			Arrear	Current	Total	
Holding Tax	3016415.20	3164378.00	6180793.20	896478.00	1921902.00	2818380.00	257952.00	2179854.00	2119937.20	984524.00	3104461.20	45.6
Latrine Tax	521257.65	0.00	521257.65	131.00	0.00	131.00	0.00	0.00	521126.65	0.00	521126.65	0.03
Lighting Tax	3841734.87	2075386.00	5917120.87	650436.00	1630902.00	2281338.00	229290.00	1860192.00	3191298.87	215194.00	3406492.87	38.55
Water Tax	3013134.12	1556477.00	4569611.12	482507.00	1223991.00	1706498.00	171968.00	1395959.00	2530627.12	160518.00	2691145.12	37.34
TOTAL	10392541.84	6796241.00	17188782.84	2029552.00	4776795.00	6806347.00	659210.00	5436005.00	8362989.84	1360236.00	9723225.84	39.6

The above table indicates that the total collection is 39.6% of the actual demand. Though the current collection is 80% of the actual demand the local authority is failed to collect the arrear demand. Hence local authority is advised to look into the matter & enhance the collection accordingly.

During Exit Conference the local authority replied that, out of the pending amount of Rs 97,23,225.84, a sum of Rs 25,45,200.00 has already been realised in between up to December-2018 leaving a balance amount of Rs 71,77,805.84 which would be collected within March-2019. However, the authority is required to utilise all its mechanism to clear the pendency position of Holding Tax etc as soon as possible under intimation to audit.

13.2 - Time barred dues - POM No 18/26.12.18

As per Section 346 of the Odisha Municipal Act 1950, no distraint shall be made ,no suit shall be instituted and no prosecution shall be commenced in respect of any sum due to a municipality under this Act ,after expiration of a period of three years from the date on which distraint might first have been made, a suit might first have been instituted , or prosecution might first have been commenced as the case may be in respect of such sum. Outstanding balance for the year 2013-14 is Rs. 153404 has become barred by limitation (tax outstanding for more than three years at the close of the year 2017-18. But not a single demand notice u/s 161 or distress warrant u/s 162,163 has been issued during the year 2017-18 for which municipal sustains loss of Rs 153404.00. Hence the amount being treated as loss to the auditee institution is suggested for recovery from Sri Loknath Tiwari, the then EO who have failed to collect the above said dues during his incumbency.

During Exit Conference the local authority complied that, out of the Rs 1,53,404.00 outstanding for 2013-14, a sum of Rs 52,650.00 has been collected during the current year 2018-19 till date. But the break up of arrear tax collected during the current year is not assessable. However, the authority need to ensure cent percent collection of the dues discussed in the para and compliance reported to audit.

YEAR	HOLDING TAX	LATRINE TAX	LIGHTING TAX	WATER TAX	TOTAL
1963-64 to 82-83	97360.58	43572.00	60373.13	35973.54	237279.25
1983-84	19077.52	3124.31	16737.14	17163.14	56102.11
1984-85	19581.56	3561.59	18873.70	19143.70	61160.55

1985-86	15190.08	4093.91	18469.62	18505.56	56259.17
1986-87	20988.76	3812.78	21102.27	21009.27	66913.08
1987-88	20756.22	3468.56	19048.16	19796.06	63069.00
1988-89	18193.28	2873.77	16996.71	16996.71	55060.47
1989-90	38677.05	6869.00	31997.30	32667.30	110210.65
1990-91	35617.00	5539.00	29677.00	29785.00	100618.00
1991-92	38675.00	8052.00	32466.00	33602.00	112795.00
1992-93	27116.00	3782.00	25823.00	25736.00	82457.00
1993-94	42026.00	7021.00	36950.00	38694.00	124691.00
1994-95	45954.00	4720.00	39207.00	41199.00	131080.00
1995-96	39173.00	6393.00	30076.00	33921.00	109563.00
1996-97	116085.00	133294.00	95033.00	102568.00	446980.00
1997-98	162112.00	45070.00	124539.00	127841.00	459562.00
1998-99	146187.00	41153.00	113401.00	117857.00	418598.00
1999-2000	177429.00	44230.00	128895.00	133363.00	483917.00
2000-2001	200000.00	45436.00	137557.00	143847.00	526840.00
2001-2002	145305.00	35305.00	107587.00	115161.00	403358.00
2002-03	135906.00	32881.00	97676.00	107543.00	374006.00
2003-04	70054.15	36874.73	70280.84	131730.84	308940.56
2004-05	139510.00	0.00	181210.00	111551.00	432271.00
2005-06	-	-	204234.00	136341.00	340575.00
2006-07	-38971.00	-	194938.00	120041.00	276008.00
2007-08	80449.00	-	190315.00	125036.00	395800.00
2008-09	28767.00	-	149326.00	121682.00	299775.00
2009-10	8046.00	-	98724.00	46547.00	153317.00
2010-11	108900.00	0.00	117149.00	177037.00	403086.00
2011-12	16332.00	0.00	366980.00	172299.00	211013.00
2012-13	20752.00	0.00	219700.00	151671.00	392123.00
2013-14	17093.00	0.00	40703.00	95608.00	153404.00
2014-15	9434.00	0.00	23444.00	16334.00	49212.00
2015-16	17643.00	0.00	45012.00	158747.00	221402.00
2016-17	80518.00	0.00	86798.00	78228.00	245544.00
2017-18	984524.00	0.00	215194.00	160518.00	1360236.00
TOTAL:-	3104461.20	521126.65	3406492.87	2691145.12	9723225.84

No reply was furnished by local authority as the local authority returned the POfm Page 1 to 19 & balance is with the local authority till the closer of audit. Hence Para stands.

Person(s) Responsible for this paragraph

Sino	Name	Designation	Adress	Amount(In Rs.)
1	LOKANATH TIWARI	EO	EO BELPAHAD MUNICIPALITY DIST KALAHANDI	153404

13.3 - Lease of tank POM No 18/26.12.18

Vide tender call notice no 2988/14.09.17 tender was called for the following fisheries tanks with the upset price furnished below. But in course of audit it was noticed that no realistic choosing was made in this regard. Although the Purunapada tank was leased for a period of 1 year from 30.09.17 to 30.09.18 with a bidding value of rs 20000. No tender was received under Naktiguda tank, Nuabandha tank.

Name of the tank	Upset price
Purunapada tank	10000
Naktiguda tank	5000
Nuabandha tank	5000

During Exit Conference the local authority replied that, in the Naktiguda Tank and Nuabandha Tank there is no water reserve and hence no tender was received against those. However, all possible steps may be taken for renovation of the municipal property.

13.4 - LICENCE FROM TELECOM TOWER- POM NO 18/26.12.18

With reference to Ir. no.-6875-Gen.(TEL)-06/2007-Com.-16.08.2007 read with Ir. no.-35742- 1357-150010/2013IH&UD.-17.12.2013 relating to 'special regulation for installation of Telecom Towers in Urban area of Odisha, 2013. In course of audit it was noticed that Rs 3165068 was realized towards the license of tower the same is furnished below.

Name of the agency	License value
Reliance Jio	1601547
Reliance Jio	66200
Vodafone	82000
Vodafone	1415321
Total	3165068

During Exit Conference the local authority replied that, the license fees on telecom towers are realised as per rule. However, the local authority is advised to ensure fool proof assessment on all those telecom towers with proper planning and survey.

13.5 - NON COLLECTION OF LICENSE FEE U/S 290 OM ACT1950 POM NO 18/26.12.18

It is revealed from checking of Demand Register of Dangerous and Offensive Trade (D&O Trade) that the following trades have not been included for collection of license fees for the financial year 2017-18 to be collection as per aforesaid mentioned Act.

- 1.Washing soiled cloth or keeping soiled clothes for washing or keeping washed clothes(Laundry)
- 2.Boarding House/Lodging House

3.Keeping a saving or hair dressing saloon.

4.Smithy(Furnace for heating or melting iron)

Non collection of license fees for the aforesaid mentioned trades violates the Gazette Notification No.30 Dtd.27.7.1984 and causes loss of revenue to the Municipality.

During Exit Conference the local authority replied that, Trade licenses are issued online under e-municipality and license fees are being collected as per guideline. However, it is advised that, assessment and collection may be made in a most vigilant way.

13.6 - Stall rent POM NO 18/26.12.18

The abstract of stall rent is furnished below. Steps may be taken to recover the balance dues & compliance reported to audit.

	Arrear	Current	Total
Dues as on 01.04.17	2274887		2274887
Demand during 2017-18		3757992	3757992
Total	2274887	3757992	6032879
Collection during 2017-18	1267994	1751512	3019506
Balance as on 31.03.18	1006893	2006480	3013373

In last & previous audit report the stall wise outstanding dues could not ascertain. In spite of objection memo, personal approach of RO & DAO in his surprise visit the local authority failed to furnish the details of stall wise demand, collection & balance position. So basing on the previous year report the demand collection position is furnished.

Since the local authority failed to collect the demand for the year 2017-18, the balance amount suggested for recovery from the EOs were held responsible for the same as they have not taken any suitable steps in this regard. The tenant wise DCB position could not be supplied by local authority till closer of audit.

During Exit Conference the local authority replied that, out of the amount outstanding as on 31.3.18, a sum of Rs 5,49,759.00 has already been collected till date and the balance amount of Rs 4,57,134.00 would be realised within March-2019. The collection details along with the outstanding dues till date could not be assessed due to non-preparation of `updated unit wise DCB of stall rent and hence the surchargeable amount in audit could not be revised. However, the authority need to ensure cent percent collection of the rent under intimation to audit.

Person(s) Responsible for this paragraph

Sno	Name	Designation	Adress	Amount(In Rs:)
1	PRADEEP KU MISHRA	TAX DAROGA	BHAWANIPATNA MUNICIPALITY DIST KALAHANDI	1003240
2	SURENDRA TRIPATHY	ASST COLLECTOR	COLLECTORATE BHAWANIPATNA DIST KALAHANDI	167206
3	BISWAMBARA MISHRA	EO	AT PRESENT EO BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	334412
4	SURYA NARAYAN DASH	EX- INCHARGE EO	AT PRESENT PD DRDA SONEPUR DIST KALAHANDI	501622

13.7 - Lease of weekly market & Daily market POM NO 18/26.12.18

The tender for market was invited vide letter No 1511/29.04.17 for daily market, weekly market & slaughter house. Hemanata Naik was the highest bidder with bidding value of Rs 1140000 per month for the weekly market & Rs 1260000 per month for the daily market. Sri Naik failed to deposit the bidding amount. So negation was made with the 2nd highest bidder Sumitra Naik with weekly market Rs 113000/month & daily market Rs 123000/month and directed to deposit Rs 1416000 as follows for the period 08/17 to 03/18. The contract was awarded to the tenderers with effect from dt. 1.8.17.

Weekly market	113000	X	6	678000
daily market	123000	X	6	738000
				1416000

She has requested to deposit Rs 250000 instead of Rs 1416000. Chairperson agreed with the bidder & directed to deposit Rs 250000 at instance & another Rs 150000 also directed to collect 7 no of post dated cheques.

It was also noticed that during 04/17 to 07/17 the municipality staff have collected the dues towards weekly market (Rs 126000) & daily market (Rs 150000) so the demand is calculated here under for the period 08/17 to 03/18.

The demand is furnished below

Weekly market	113000	X	8	904000
daily market	123000	X	8	984000
				1888000

during 2017-18 the DCB position is furnished below.

Weekly market						
Demand for 2017-18	Collection				Amount	Balance
	Book No 247/MR No 24689 Dt 01.08.17				120000	
	Book No 247/MR No 24697 Dt 05.09.17				113000	
	Book No 255/MR No24474 Dt 10.01.18				113000	
113000X8=904000					346000	558000
daily market						
Demand for 2017-18	Collection				Amount	Balance
	Book No 247/MR No 24689 Dt 01.08.17				130000	
	Book No 247/MR No 24696 Dt 05.09.17				123000	
	Book No 255/MR No24473 Dt 10.01.18				123000	
123000X8=984000					376000	608000

In this way the balance amount is Rs 558000+Rs 608000= Rs 1166000 which was not collected. Why the same will not suggested for recovery treating the same as loss of the institution.

On further scrutiny it was noticed that besides these balance she was directed to continue the lease for the year 2018-19 though she was defaulter during 2017-18. Instead of fresh tender she was directed to continue the lease of market.

During Exit Conference the local authority replied that, out of Rs 11,66,000/-, a sum of Rs 6,94,000.00 has already been collected during 2017-18 and Rs 4,72,000.00 during the current financial year 2018-19.

But the collection of the same could not be assured due to non-exhibition of year of auction in the receipt. However, the authority need to

ensure maintenance of DCB of lease deeds for all the yester years and assure the position and compliance reported.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs:)
1	ADITYA KU NANDA	CHAIR PERSON	AT PRESENT INFRONT OF WESCO OFFICE DIST KALAHANDI	583000
2	SURENDRA TRIPATHY	ASST COLLECTOR	COLLECTORATE BHAWANIPATNA DIST KALAHANDI	97166
3	BISWAMBARA MISHRA	EO	AT PRESENT EO BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	194332
4	SURYA NARAYAN DASH	EX- INCHARGE EO	AT PRESENT PD DRDA SONEPUR DIST KALAHANDI	291502

13.8 - Gandhi Park POM NO 18/26.12.18

The tender for Gandhi Park was invited vide letter No 1538/26.04.17 for the year 2017-18. The date of opening of the tender was on 08.05.17. Being the highest bidder Bhairav Hospitality services PVT LTd was leased the Gandhi park with bidding value of Rs 90000.00 which was collected during 2017-18.

Demand for 2017-18	Collection	Amount	Balance
	05.09.17 (direct deposit)	20000	
	247/35/29.05.17	50000	
	03.04.18 (direct deposit)	20000	
90000		90000	0

13.9 - Hoading POM NO 18/26.12.18

Being the highest bidder Sudhir Naik was lessee of the hoarding for the year 2017-18. The bidding amount of Rs 250100 was realised vide Book no 255/MR No 25427/16.10.17.

13.10 - HSD NOT TAKEN TO LOG BOOK POM NO 20/28.12.18

In course of audit it was noticed that the following quantities of HSD amounting to 118118 (say) were purchased but not reflected in the log book leading to loss of money. Hence steps may be taken to realise the same.

Bill No	Date	Date of filling	Quantity in It	Amount	Bill No	Date	Date of filling	Quantity in It	Amount
OR 08 D 7269 TRACTOR DRIVER					OR 08 D 7269 JCB DRIVER				

PREMANATH NAIK, DRIVER					ASISH BEHERA				
	02.05.17	20	1273.00		15.05.17	40	2546.00		
	03.05.17	20	1273.00		25.05.17	70	4290.00		
	20.05.17	20	1225.8		02.06.17	100	6244		
	19.06.17	20	1203.40		25.07.17	80	4878.00		
	01-09.17 TO 15.09.17	200	12759.00		02.09.17 TO 13.09.17	520	33219.00		
	16.09.17 TO 30.09.17	180	11665.00		18.09.17 TO 29.09.17	370	23965.00		
			29399.20				75142.00		
OR08D-7654 AUTO TIPPER JITENDRA MEHER, DRIVER					OR08A3382 MINI TRUCK, CHANDRA Kata, driver				
	14.06.17	5	312.20		16.09.17	20	1297.00		
	03.06.17	5	312.20		18.09.17	20	1297.00		
	18.09.17	10	649.20		21.09.17	20	1297.00		
	02.09.17	10	630.10		24.09.17	20	1297.00		
			1903.70		02.09.17	20	1297.00		
					11.09.17	20	1297.00		
					14.09.17	20	1297.00		
					13.07.17	20	1297.00		
					05.07.17	20	1297.00		
							11673.00		

During Exit Conference the local authority replied that, the HSD stock has already been accounted for. But the reply is not justified as the same could not be produced for verification during the course of audit and it is impossible to verify the same during Exit Conference which might have mutilated. Hence the authority required to recover the amount as suggested in audit.

Since the drivers are private persons so the surcharge is made against the EO concerned.

Person(s) Responsible for this paragraph

S/no	Name	Designation	Adress	Amount(In Rs:)
1	BISWAMBARA MISHRA	EO	AT PRESENT EO BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	18680
2	SURYA NARAYAN DASH	EX- INCHARGE EO	AT PRESENT PD DRDA SONEPUR DIST KALAHANDI	99438

13.11 - Holding tax on railway land POM NO 02/01.11.18

As per provisions contained under Section 131(2)(b) of the OM Act, 1950, municipality shall levy holding tax on annual value of railway lands situated within the municipalities which are not used exclusively for agricultural purposes and are not occupied by or adjacent and appurtenant to any buildings. As per Rule 518(1) of OM Rules, 1953 the annual value was to be determined by a committee consisting of the Executive Officer, the Collector of the district and one representative of the Railway authority. As per Rule 518(10) of OM Rules, 1953, if the committee does not complete the valuation of any railway lands before the commencement of the half-year, with effect from which they are to be assessed or their assessment is to be revised, the Executive Officer may assess them according to the prevailing market value in case the lands are to be assessed for the first time and in accordance with the existing valuation in the case of other lands, and shall be entitled to collect the tax on the basis of such assessment pending the valuation of the said lands by the committee. Rule-519: determination of Annual value of land, Rule-520: determination of capital value of land. As per Section 131 (3) (a) of the OM Act, 1950, the holding tax was to be levied on the lands situated within the municipal area and used exclusively for agricultural purposes.

During Exit Conference the local authority replied that, there is no railway land within the jurisdiction of the municipality. The reply of the authority is found genuine and hence the para is dropped.

13.12 - ASSESSMENT OF NEW HOLDING/ RE-ASSESSMENT POM NO 18/26.12.18

As per sec 143 the VO determine the annual value of all holdings within newly constituted municipality and prepare a valuation list.

As per sec 143-A of OM Act 1950 the EO of the municipality shall, until the appointment of VO thereof, exercise the power and perform the duties of VO in respect of municipality.

But during 2017-18 neither a single new assessment nor a re-assessment has been done. it leads to loss of municipal fund.

During Exit Conference the local authority replied that, assessment / re-assessment is going on regularly which was also done during 2017-18 but collection according to the revised value is made with effect from the year 2018-19. The reply of the EO is found correct with reference to records and hence the para is dropped.

13.13 - LOSS OF REVENUE DUE TO DELAY IN REVISION OF HOLDING TAX POM NO 18/26.12.18

It was noticed that the last assessment of the holding was made in the year 1996 which is still in force. Although there is provision for revision of assessment in every five years interval it has not been done even though 10 years time has already been elapsed in the mean time. Since the holding tax is one of the primary sources of income of the municipality, every care should be taken to get the assessment done in due time so that a legitimate increase in its income could have ensured.

In response to audit objection memo the local authority replied that the audit remarks are noted for future guidance. Govt. in H & UD dept. has already conferred power to ULB after 1996 towards assessment /revision and implementation of taxes in all the residential & commercial building lying within the ULB area. We are also doing the above work in respect of ULBs. Hence the local authority is advised to initiate the process by moving the matter to valuation dept pending assessment done by valuation dept, an interim assessment may be done as per rule in order to acclimatize the holding owners to new assessment structure.

During Exit Conference the local authority replied that, Assessment / Revision of Holding Tax is done continuously from the year 1996-97 to till date as per rule. Hence basing on the replies of the authority the para is dropped.

13.14 - Outstanding due in lease of market - POM NO 18/26.12.18

As per tender call notice No 706/18.03.11 the tender call notice was issued for lease of market i.e daily market, weekly market & slaughter house. Being the lowest bidder for Hemanta Ku naik got the lease of market for the year 2011-12. Fresh tender was asked vide tender call notice No 1214/04.06.12 & in the tender Md Abdul Mohib & Hemanta Naik were the highest bidder for daily market & weekly market respectively with respective bidding values Rs 61000 & Rs 57300. Vide letter No 1870/08.08.12 Hemanta naik was directed to deposit Rs 17900 & advance of Rs 57300 for the month of 08/12. The deposit position by the lessee could not be ascertained as neither the DCR nor the cashier cashbook was produced before audit for verification. Vide letter No 1872/08.08.12 Md Abdul Mohib was directed to deposit Rs 183000 & advance of Rs 61000 for the month of 08/12. The deposit position could not be ascertained as neither the DCR nor the cashier cashbook was produced before audit for verification. Since then no tender was issued. Tender call notice No 768/20.03.16 for market was cancelled. All these reveal that undue financial advantage was given to both. Basing on the available records the demand & collection position is furnished below.

Weekly market					
Demand for 2016-17	Collection			Amount	Balance
	Book No	MR No	Date		
	223	68	03.05.16	48500	
	223	94	20.06.16	48500	
	223	41	03.08.16	97000	
	228	90	07.10.16	48500	
	228	100	05.11.16	48500	
	228	50	1.12.16	48500	
	228	36	03.01.17	48500	
	228	44	08.02.17	48500	
	240	101	07.03.17	48500	
732000				485000	247000
daily market					
Demand for 2016-17	Collection			Amount	Balance
	Book No	MR No	Date		
	51			57300	
	69			57300	
	93			57300	
	701			57300	
	41			114600	
	89			114600	
	35			57300	
	46			57300	
	200			57300	
687600				630300	57300
Weekly market					
Demand for 2015-16	Collection			Amount	Balance
	Book No	MR No	Date		
	178	39	06.05.15	48500	
	178	53	20.06.16	48500	
	178	55	03.08.16	97000	
	178	59	07.10.16	48500	
	178	62	05.11.16	48500	
	178	64	01.12.16	48500	

		178	67	03.01.17	48500	
		178	69	08.02.17	48500	
		178	73	07.03.17	48500	
		223	8	16.03.16	48500	
		223	47	31.03.16	48500	
732000					582000	150000
daily market						
Demand for 2015-16	Collection				Amount	Balance
	Book No	MR No	Date			
	178	54	11.16.15	57300		
	178	56	28.07.15	57300		
	178	63	21.09.15	114600		
	178	72	22.01.16	57300		
	178	76	19.02.16	57300		
	223	8	16.03.16	57300		
687600				401100	286500	
Weekly market						
Demand for 2014-15	Collection				Amount	Balance
	Book No	MR No	Date			
			28.04.14	48500		
	178	1	19.06.14	48500		
	178	3	08.07.14	97000		
	148	10	27.08.14	48500		
	178	14	12.09.14	48500		
	178	24	11.12.14	48500		
	178	27	09.01.15	48500		
	178	31	09.03.15	48500		
	178	33	30.03.15	48500		
732000				485000	247000	
daily market						
Demand for 2014-15	Collection				Amount	Balance
	Book No	MR No	Date			
			28.04.14	57300		
	178	2	19.06.14	114600		

			14.07.14	57300	
	178		23.07.14	57300	
	178		18.10.14	57300	
	178		17.11.14	57300	
	178		15.12.14	57300	
	178		13.01.14	57300	
	178		25.01.15	57300	
	178		18.03.15	57300	
	178		31.03.15	57300	
687600				687600	0
Weekly market					
Demand for 2013-14	Collection			Amount	Balance
	Book No	MR No	Date		
			01.05.13	48500	
			07.06.13	48500	
			04.07.13	48500	
			07.08.13	48500	
			17.09.13	48500	
			07.10.13	48500	
			30.11.13	48500	
			18.03.14	48500	
732000				388000	344000
daily market					
Demand for 2013-14	Collection			Amount	Balance
	Book No	MR No	Date		
			07.06.13	57300	
			06.19.13	114600	
			03.10.13	57300	
			21.10.13	57300	
			30.11.13	57300	
			13.12.13	57300	
			01.02.14	114600	
			18.03.14	57300	
687600				573000	114600

The balance amount is furnished below. Steps may be taken to recover the same from person responsible.

Year	Weekly market	Daily market	Total
2012-13			
2013-14	344000	114600	458600
2014-15	247000	247000	494000
2015-16	286500	286500	573000
2016-17	247000	57300	304300
Total	1124500	705400	1829900

Till the closer of audit neither the DCR nor the cash book were produced before audit.

During Exit Conference the local authority replied that, there was no such amount due for collection from the then lessee of market. However, the same would be verified and if any dues detected to be outstanding, then steps would be taken to recover the same through initiation of certificate cases. However, a swift and early action in the matter is highly solicited under intimation to audit.

Person(s) Responsible for this paragraph

Sno	Name	Designation	Address	Amount(In Rs:)
1	ADITYA KU NANDA	CHAIR PERSON	AT PRESENT INFRONT OF WESCO OFFICE DIST KALAHANDI	914950
2	BISWAMBARA MISHRA	EO	AT PRESENT EO BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	101440
3	LOKANATH TIWARI	EO	EO BELPAHAD MUNICIPALITY DIST KALAHANDI	813510

13.15 - Distressed warrant - POM NO 09/28.11.18

As per Section 161(1) of the Odisha Municipal Act, 1950 if the sum is due on account of any tax is not paid within 61 days from the date on which it became due, the EO shall cause to be served on the person liable to pay the same a notice in the prescribed form. If still the dues are not collected, the municipality is armed with Section 162 of the Act to levy by distress and sale of any movable properties belonging to the defaulters wherever found, or of any movable property belonging to any other person which may be found within the holding in respect of which such defaulter is liable to such tax. In spite of all these provisions under section 161(1), 162, 163, 164, 165 & 166, if the municipality fails to realize the arrear tax by distress and sale, according to Section 169 the municipality may at any time apply to the district Collector for the recovery of the whole or any part of any arrears as an arrears of land revenue. Again as per section 170 of the Act, the municipality instead of proceeding by distress and sale or in case of failure to realize the whole or any part of any tax, the municipality may issue the person liable to pay the same in any court of competent jurisdiction. Further it was found that through the system of penalty was there, yet there was no dictation of breach of tax Rule as per Rule 553 of the OM Rules 1953 and no legal steps has been under taken against the liable holding persons. Whether during 2017-18 any distressed warrant has been issued or not. If yes then details of the same & if not the reason there of may be furnished to audit for verification.

During Exit Conference the local authority replied that, Instruction noted. However, the authority is required to act according to the provisions under the O M Act, 1950.

13.16 - New assessment - POM NO 09/28.11.18

Holding related taxes such as holding, lighting, drainage and water taxes formed the major source of revenue of the ULBs. These taxes were levied as per the powers vested with the ULBs under Section 131 of OM Act as a percentage of annual value of holdings, which

was determined under Section 137 of the Act. The guiding principle for levy of any tax is that it should be commensurate with the expenses incurred for providing the services. As per the provisions of OM Act under section 146, the annual value of the holdings should be revised at an interval of every five years by the ULBs adopting the latest schedule of rates of PWD. Scrutiny of records of the test checked ULBs revealed that they were totally dependent on the valuation team of H&UD Department for fixation of annual value of holdings which resulted in delay of revision & consequently in loss of revenue to the ULBs. As there was increase in the cost of services provided by the ULBs to the people, the non-revision of annual value in time affected the quality of the services. It was noticed that the last assessment of the holding was made in the year 1996 which is still in force. Although there is provision for revision of assessment in every five years interval it has not been done even though 10 years time has already been elapsed in the mean time. Since the holding tax is one of the primary sources of income of the municipality ,every care should be taken to get the assessment done in due time so that a legitimate increase in its income could have ensued.As per Section 146 of Odisha Municipal Act, 1950, new valuation and assessment list should be prepared once in every five years. Further, holding tax is determined on the basis of annual value of the property calculated on the basis of the construction cost of the building and a reasonable ground rent for the land on which the building is situated. As per Section 143-A of the Odisha Municipal Act, 1950,the Executive Officer of the U.L.B. concerned shall, until the appointment of a Valuation Officer thereof, exercise the powers and performs the duties of the Valuation Officer in respect of that ULB.

During Exit Conference the local authority replied that, New assessment on Holding tax is going on regularly and accordingly holding tax is being imposed on all newly constructed residential and commercial buildings as per rule. Hence basing on the replies of the authority the para is dropped.

13.17 - MARKET LEASE 2018-19

Lease 2018-19

weekly market & Daily market

As per provision under rule the receipt position was carried out till the commencement audit i.e. on 31.10.18. As described in the Memo No 17/21.12.18 the last lessee of market Sumitra Naik was defaulter of Rs 1166000 as mentioned. As per order of chairperson of Bhawanipatna Municipality she was directed to take lease of the market till 31.03.18. As per rule a fresh tender should be called for but in violation to this she was directed to continue the lease of market for the year 2018-19 with the same lease amount as per the financial year 2017-18 i.e. weekly market Rs 113000/month & daily market Rs 123000/month.

till the closer of audit										
The demand is furnished below										
Weekly market		113000	X	9	1017000					
daily market		123000	X	9	1107000					
					2124000					
Weekly market										
Demand for 2018-19		Collection			Amount	Balance				
		Book No 264/ MR NO 96/20.04.18			113000					
		Book No 266/ MR NO 1/04.05.18			113000					
		Book No 263/ MR NO 59/17.05.18			113000					
		Book No 263/ MR NO 68/07.07.18			113000					
		Book No 263/ MR NO 79/16.08.18			113000					
		Book No 204/MR No 400/24.09.18			113000					

	Book No 235/ MR No407/10.10.18	113000					
	Book No 263/ MR NO 94/26.11.18	113000					
1017000		904000	113000				
daily market							
Demand for 2018-19	Collection	Amount	Balance				
	Book No 264/ MR NO 97/20.04.18	123000					
	Book No 266/ MR NO 98/23.04.18	123000					
	Book No 263/ MR NO64/05.06.18	123000					
1107000		369000	738000				
In this way the balance amount is Rs 113000+Rs 738000= Rs 851000 which was not collected. Hence local authority is advised to collect the same before closing of the financial year							

PARA: 14 AUDIT OF EXPENDITURE

14.1 - SANCTION OF MEDICAL ALLOWANCE TO EMPLOYEES OF THE MUNICIPALITY POM No 17/24.12.18

As per Rule 415 of the O.M. Rules -1953, the conditions of the employees of a Municipal Council shall not be more favourable than those of Government servants of the similar standing and status in respect of (a) salary and allowances, (b) leave and leave salary (c) travelling allowance and superannuation and retirement. The State Government employees are not getting Medical allowance. Hence the employees of the Municipality are not eligible to get the Medical allowances. The same was also clarified by the Housing and Urban Development Deptt. vide his Lr. No. 14965 Dt. 27.5.08 addressed to the Addl. District Magistrate, Ganjam, Chhatrapur with copy to All District Magistrates // All Urban Local Bodies // Examiner, Local Fund Accounts, Finance Deptt., BBSR, //All District Audit Officers.

But on checking of the paid acquaintance rolls of salary it reveals that Medical allowance was allowed to employees of the municipality, The details of the same are furnished below.

GENERAL SECTION													
Month & Voucher No / Date													
Name	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	TOTAL
	73/17.05.17	160/05.06.17	251/20.07.17	297/21.08.17	297/21.08.17	371/06.09.17	344/25.09.17	517/08.11.17	570/16.12.17	637/15.01.18	676/20.02.18	699/7.03.18	
Biswambar Mishra	100	100	100	100									400
Md. Abdul Warsish	100	100	100	100	100	100	100	100	100	100	100	100	1200
Sribatsa Mahapatr													0

a														
S.N. Pattnaik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Prabin Kumar Naik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
TAX SECTION														
P.K Mishra	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
MM Rout	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Naimish Sahu	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
LIGHT SECTION														
M.A. Kalam	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
MK Agasti	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
WORKS SECTION														
Sameer Kumar Thakur					100	100	100	100	100	100	100	100	100	800
Hem Kumar Naik														0
Birsingh Biroli	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
K.C.Saba r	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
HOMOEIO SECTION														
S. Sharma	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
GR Naik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
BB Patel	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
UBS SECTION														
Geetashri Dash	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Chandan a Mishra														0
CLUB SECTION														
M.Majhi	100	100	100	100	100	100	100	100	100	100	100	100	100	1200

PARK SECTION														
Jogendra Patel	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
S.S. Mahakud	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
OCTOROI SECTION														
D.N. Thakur	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
L. Singh	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Someswar Mahapatra	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
P.K.Goud	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
M.C Mishra	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
S.R Sudhakar	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
K.K. Pattnaik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
A.K Gahir	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
SCAVANGING SECTION														
Premnath Naik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Sitaram Naik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Lakhiram Kumar	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Sukru Naik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Gokul Deep	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Goutam Sagar	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Manu Deep	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Bira Deep	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Rabi Deep	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Basanta Naik	100	100	100	100	100	100	100	100	100	100	100	100	100	1200

Ajit Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Dukha Deep	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Pritam Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Niran Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Jagabandhu Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Kishore Behera	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Nandulal Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Ram Chandra Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Chiranjibi Bag	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Ratha Pandey	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Jagdish Kumar	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Purandar Naik	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Kartik Tandi	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Isvar behera	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Shanti dei	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Basanta sindur	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Chandra Raj bahadur	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Phultuli Dei	100	100	100	100	100	100	100	100	100	100	100	100	1200	
Antaram tandia	100	100	100	100	100	100	100	100	100	100	100	100	1200	
													66000	

During Exit Conference the local authority replied that, the Medical Allowance of Rs 100/- each per month is paid to the Regular employees as Kalahandi is a malaria prone area and accordingly the Municipal council is pleased to sanction the same. There are so many instances of sanction of the same in Kalahandi district and as such the para may be dropped.

There is no such provision made by the Govt for payment of medical allowance in a regular

monthly basis besides the reimbursement of cost of medicine used by staff during the period of illness. Hence the para stands for recovery.

Since the EO & chair person have sanctioned the same both were held responsible for the same

Person(s) Responsible for this paragraph

Sno	Name	Designation	Adress	Amount(In Rs:)
1	SURYA NARAYAN DASH	EX- INCHARGE EO	AT PRESENT PD DRDA SONEPUR DIST KALAHANDI	16500
2	ADITYA KU NANDA	CHAIR PERSON	AT PRESENT INFRONT OF WESCO OFFICE DIST KALAHANDI	33000
3	BISWAMBARA MISHRA	EO	AT PRESENT EO BHAWNIPATNA MUNICIPALITY DIST KALAHANDI	11000
4	SURENDRA TRIPATHY	ASST COLLECTOR	COLLECTORATE BHAWANIPATNA DIST KALAHANDI	5500

14.2 - Maintenance of street light - POM NO 17/24.12.18

Tender call notice was for maintenance of street light for the year 2017-18 was issued vide 961 dt 18.03.17. Being the lowest bidder M/S Bhawani Electricals & construction Cuttack has signed an agreement vide agreement No 1281/31.03.17. The bidding price of the agency is Rs 69000/month, on the basis of negotiation the maintenance charge per month was Rs 63000/month. Payment was made to the agency as follows.

VR No	Date	Amount	Period
8F	17.04.17	57000	Feb-17
92	17.05.17	57000	Mar-17
211	19.06.17	57000	Apr-17
280a	31.07.17	189000	04/17,05/17,06/17
343	25.09.17	126000	07/17,08/17
543	23.11.17	126000	09/17,10/17
603	21.12.17	63000	Nov-17
	27.02.18	63000	Dec-17
717	23.03.18	126000	01/18,02/18

Since the agreement was signed from 04/17 the payment prior to the same i.e. 02/17 & 03/17 Rs 57000/month is inadmissible Vide Vr No 211/19.06.17 as well as Vide VR No 280a/31.07.17 for the month 04/17 paid twice. In this way there is excess payment of Rs 57000X2=Rs 114000+ Rs 63000 = Rs 177000 which needs recovery.

During Exit Conference the local authority replied that, the agreement for maintenance of street light came into force from April-17. The payment for the purpose was paid to the agency for the month of 2/17 and 3/17 as per previous years norms @ Rs 57,000/- pm. Accordingly, the amount reimbursed from Treasury vide vr no. 211/19.6.17 is shown as expenditure instead of both receipt and expenditure (contra entry) which has already been reconciled during March-18. Hence the para may be dropped.

Verified and found that, the reply of the authority is genuine. Hence the para is dropped.

14.3 - HSD NOT TAKEN TO LOG BOOK - POM NO 13/10.12.18

In course of audit it was noticed that the following quantities of HSD though the same were purchased but not entered in the log book, which leads to loss of municipal fund.

Vr No	Date	Bill No	Date	Date of filling	Quantity in lt	rate	Amount
Tractor No OR-08-D-7268							
681	20.02.18	2548	02.02.18	29.01.18	10	70.24	702.40
681	20.02.18	2564	02.02.18	02.02.18	10	70.24	704.40
681	20.02.18	2564	02.02.18	09.02.18	10	70.24	704.40
681	20.02.18	2564	02.02.18	10.02.18	20	70.34	1407.40
681	20.02.18	2564	02.02.18	13.02.18	10	69.78	697.80
681	20.02.18	2564	02.02.18	15.02.18	10	69.58	695.80
							4912.20
Tractor No 08-D-7269							
681	20.02.18	2549	02.02.18	29.01.18	20	70.24	1404.80
681	20.02.18	2565	16.02.18	08.02.18	20	69.58	1391.60
							2796.40
						Total	7708.60

During Exit Conference it was verified and found that, the said amount of Rs 7,709.00 has been recovered vide MR Book No. 18 / MR No. 281 dt. 28.2.2019 and hence the para is dropped.

14.4 - Unfruitful expenditure - POM NO 13/10.112.18

In course of audit it was noticed that Sri KC sabar, roller driver was paid from time to time as his salary. But there is no roller is utilised during 2017-18 i.e. the service of sabar is not rendered during 2017-18. On the other hand the institution is hiring driver on outsourcing basis. It leads to loss of the institution.

Month	Vr no Date	Pay	DP	Total	DA	HRA	MA	Total
Apr-17	73/17.05.17	11730	2400	14130	18652	1413	100	34295
May-17	160/05.06.17	11730	2400	14130	18652	1413	100	34295
Jun-17	251/20.07.17	11730	2400	14130	18652	1413	100	34295
Jul-17	297/21.08.17	11730	2400	14130	18652	1413	100	34295
Aug-17	317/06.09.17	11730	2400	14130	18652	1413	100	34295
Sep-17	344/25.09.17	11730	2400	14130	18652	1413	100	34295
Oct-17	517//08.11.17	11730	2400	14130	18652	1413	100	34295
Nov-17	570/16.12.17	11730	2400	14130	18652	1413	100	34295
Dec-17	637/15.01.18	11730	2400	14130	18652	1413	100	34295

Jan-18	676/20.03.18	11730	2400	14130	18652	1413	100	34295
Feb-18	699/07.03.18	11730	2400	14130	18652	1413	100	34295
								377245

During Exit Conference the local authority replied that, Sri K C Sabar, Roller Driver is continuing as such against Govt sanctioned post since 1993 and no driver has been engaged on outsourcing basis. The office PRR needs repair and stopped operating during 17-18 but not for the entire year. Sri Sabar is engaged in driving other office vehicles as per office order from time to time. After retirement of the work sarkar since 2008, he is entrusted with survey work, disbursement of pension under MBPY & NSAP every month since joining and hence monthly salary is being paid to him to avoid legal complicity. Hence the para may be dropped.

Since the post of the Driver is a sanctioned one and due to temporary damage of the office PRR he is engaged with other official works, the reply of the local authority is felt genuine. Hence the para is dropped.

14.5 - USE OF VEHICLE BY CHAIRPERSON WITHOUT LOG BOOK POM NO 13/10.12.18

As per Municipal rule 1953 387-A. A daily sitting allowances at the rate of rupees fifty, forty-five, forty, thirty-five and thirty shall be paid to the councillors for attending the meeting of the council or a Committee of the Council on the basis of income of a Municipality having income from its own source as indicated in clauses (a), (b), (c), (d), (e) respectively of rule 387].

As per rule- 388. No journey shall be undertaken by the Chairman, Vice-Chairman and Additional Vice Chairman] outside Municipal limits unless such journey is in the opinion of the council in the interest of the Municipality in particular and local authority in general.

As per rule- 389. The travelling allowance payable to councillors including Chairman and Vice-Chairman shall be governed by the provisions of the Odisha Travelling allowance Rules as amended from time to time.

As per rule-390. 5[Chairman, vice-Chairman, Additional Vice-Chairman and councillors] of Municipal Councils shall for the purpose of determining the rates of travelling allowance to which they are entitled to shall be treated as grade 3

As per rule-391. The monthly allowance of the 1[Chairman Vice chairman and Additional Vice Chairman] shall be submitted before the general Council.

In course of audit it was noticed that a vehicle is engaged during 2017-18 for chairperson on hire basis. On the other hand another hired vehicle is engaged for EO of Municipality. In this regard the following documents were sought for production before audit for verification.

1. Reason of requirement of two vehicles.
2. Council approval regarding hiring of vehicle.
3. Tender quotation notice & other relevant records regarding engagement of vehicle.
4. Vehicle log book of two vehicles
5. Tour programme of chairperson with approval from council as per rule 389.

In absence of the above documents the expenditure incurred = 12X20000=2400000 is treated as a loss to the organisation and as such suggested for recovery.

During Exit Conference the local authority replied that, there was only one vehicle for office use which is used by the Chairperson during the period of 2017-18. The concerned Log Book of vehicle and case file was also produced before audit for verification.

From the replies of the local authority it is assured that, the vehicle is not being utilized by the Chairperson single-handedly but it is being used also for miscellaneous official purposes. Hence considering the same the para is dropped.

14.6 - Wasteful expenditure - POM No 17/24.12.18

In course of audit it was noticed that a sky jacker was purchased vide Vr No 315/06.09.17 amounting to Rs 1919857 & Rs 19393 vide Vr No 316/06.09.17 a total sum of Rs 1939250 for the purpose. On the other hand privatization of maintenance of street light was taken over by Bhawanipatna Municipality since 04/17. Soon after privatization of maintenance of street light the purchase of sky jacker is a wastage of money for idle of vehicle.

During Exit Conference the local authority replied that, maintenance of street light was not privatized during 17-18. Accordingly, the Sky Jacker is an asset for this office and utilized properly for the purpose. Further as and when required, other offices of Bhawanipatna are using the same on requisition by paying its user charges to this office. So the same may not be considered as wasteful expenditure and para raised may be dropped.

Considering the replies of the local authority the para is dropped.

14.7 - Production of records - POM NO 21/29.12.18

Vide Para 14.3 of Audit Report No : 366469/AR/2017-2018-KALAHANDI Rs 2611466.00 was suggested for recovery for non-production of vehicle log book. In pursuance to POM No 09/28.11.18 the local authority produced the log book of the relevant period & vouchers. On further scrutiny of the vehicle log book & the concerned vouchers it was noticed that a sum of Rs 7847.70 or say Rs 7,848.00 HSD was purchased but not taken to the vehicle log book. The detail of the same is furnished below. the vehicle log books were produced before audit for verification. On scrutiny the log book it was noticed that 140 Lt of HSD were purchased & not entered in the vehicle log book, leading to a loss of ULB Fund which was suggested for recovery.

Date of filling	In ltr	Amount
OR08D7269 PREMNATH NAIK,DRIVER		
01.07.16	20	1214.40
OR08D-7654 JITENDRA MEHER,DRIVER		
11.06.16	5	299.50
25.06.16	5	306.35
21.05.16	10	574.40
28.05.16	55	3159.20
06.04.16	5	271.50
13.04.16	5	271.50
22.04.16	5	264.45
29.04.16	10	552.00
12.07.16	5	303.60
16.12.16	5	303.70
28.1.17	5	376.40
	140	7,897.00

During Exit Conference it was detected that, the objected amount of Rs 7,897.00 has been recovered vide MR No. 281 / 28018 dt. 28.2.19 and hence the para is dropped.

In Para 14.3 of Rs.26,11,466.00 was suggested for recovery as the said records were not produced before last audit which was produced during current audit of 2017-18.

Hence the objected amount in the said Para 14.3 of Audit Report No : 366469/AR/2017-2018-KALAHANDI, for the financial year 2016-17 is now reduced to nil. Hence corrigendum may be issued in this regard.

PARA: 15 AUDIT ON WORKS

15.1 - Data on verification of work case records

Total no of case records	132	48676638
No of records produced	122	46146884
No of records not produced	10	2529754

The details of non production of records are furnished in Para 15.13 of this report.

15.2 - EXCESS PAYMENT IN WORKS POM NO 14/12.12.18

NAME OF THE WORK	Development of road of Krishna Nagar at Gosalpada in ward no.07
HEAD OF ACCOUNT	14 th FC
Agreement No	56/2017
ESTIMATED COST	8 lakh
MB REF	408(109 TO 123)
NAME OF THE AGENCY	Partha Sarathi Sunani , Contractor
Vr No	225(B)/29.06.17
NAME OF THE JE/GPTA	Sarat Ku sahu
NAME OF THE AEE	Sri Sameer Ku Thakur

Being the lowest bidder Partha Sarathi Sunani , Contractor was directed to complete the work. Excess payment was made due enhance rate in the work bill.

In course of audit it was noticed that in item No 1 of the work bill Rs 69446 was paid for 535.60 cum earth work on hard soil@ Rs 129.66/cum

The analysis for earth work is furnished below. (for 100 cum

Man Mulia	21.5 n @ rs 200	4300.00
Woman Mulia	21.5 n @ rs 200	4300.00
Over head charges+ Contractors profit		1290.00
Cess		98.90
		9988.90

20% extra for foundation				1997.78
For 100 cum				11986.68
For 1 cum				119.87

In this way in 1 cum Rs 129.66-Rs 119.87 =Rs 9.79 excess payment was made.

So, in 535.6 cum the excess payment is Rs 9.79535.6= Rs 5244(say)

During Exit Conference it was noticed that the amount of Rs 5,244.00 has been recovered vide MR No. 281 / 28010 dt. 28.2.19 and hence the para is dropped.

15.3 - EXCESS PAYMENT IN WORKS - POM NO 14/12.12.18

NAME OF THE WORK	Construction of drain from Lohorapada Chhak to madan Mohan pada to Bakery factory WN 19
HEAD OF ACCOUNT	BRGF
ESTIMATED COST	8 lakh
MB REF	377(28 to 37)
VrNo	113/17.05.17
NAME OF THE AGENCY	Sarat Ku sahu
NAME OF THE JE/GPTA	Sarat Ku sahu
NAME OF THE ME	Sameer KU Thakur
NAME OF THE EO	Biswambar Mishra

On scrutiny of the work case record it was noticed that excess payment was made due to payment in excess rate in the work bill.

In item no 1 of the work bill 295.9 cum of earth was excavated.

as per norms the same quantity should be carried away by mechanical means.

But in item No 7 of the work bill 375.9 cum of earth was carried out.

When 295.9 cum of earth was excavated removing 375.9 cum of the same is impossible.

As 295.9 cum of earth was excavated the removal quantity is also 295.9 cum.

The excess carriage of 375.9 cum-295.9 cum= 80 cum is suggested for recovery

There is excess payment of 80XRs 136= Rs 10880

During Exit Conference it was noticed that the amount of Rs 10,800.00 has been recovered vide MR No. 281 / 28011 dt. 28.2.19 and hence the para is dropped.

15.4 - EXCESS PAYMENT IN WORKS POM NO 14/12.12.18

NAME OF THE WORK	Construction of drain from Subhrath Mohany house to DIPRO Office in ward no.03
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MB REF		405(132 to 142)									
NAME OF THE AGENCY		Trinath Harpal, Contractor									
Vr No		109/17.05.17									
NAME OF THE JE/GPTA		Sarat Ku sahu									
NAME OF THE AEE		Sameer Ku Thakur									
As per SR orate 2014 page 13 The rates of materials in SR are basic rates excluding cost of conveyance, royalty but including cost of stacking and C.S.T./V.A.T											
But in contradict to the above rule no deduction was made from the stone products. The detail of the same are furnished below.											
Quantity	Item in brief				Rate	amount	Stone product quantity	rate	vale	5% of the total cost	
13.63	CC (1:4:8)					3237.08	44121	13.08	761	9953.88	498

During Exit Conference it was noticed that the amount of Rs 498.00 has been recovered vide MR No. 281 / 28012 dt. 28.2.19 and hence the para is dropped.

15.5 - EXCESS PAYMENT IN WORKS POM NO 14/12.12.18

NAME OF THE WORK	Cleaning of drain & lifting of dumping earth near sardar ballavai Patel club WN 06
HEAD OF ACCOUNT	Own fund
ESTIMATED COST	45000
MB REF	378(195 to200)
VrNo	282/31.07.17
NAME OF THE AGENCY	Sarat Ku sahu
NAME OF THE JE/GPTA	Sarat Ku sahu
NAME OF THE ME	Sameer KU Thakur
NAME OF THE EO	Biswambar Mishra

On scrutiny of the work case record it was noticed that excess payment was made due to payment in excess rate in the work bill.

Analnsis for EW in hard soil	for 100 cum
Mulia 44 @ rs 200	8600
T & P	172
	8772
For 1 cum	87.72
But in the work bill / cum is	122.65
Excess payment for 1 cum	34.93
Quantity of work executed	162 cum
So excess payment in 162 cum	5659

During Exit Conference it was noticed that the amount of Rs 5,659.00 has been recovered vide MR No. 281 / 28013 dt. 28.2.19 and hence the para is dropped.

15.6 - EXCESS PAYMENT IN WORKS - POM NO 14/12.12.18

NAME OF THE WORK	Construction of road from Radheshyam house to Nandi house
HEAD OF ACCOUNT	WODC
AGRREMENT NO	1755/20.06.16
ESTIMATED COST	5 lakh
MB REF	410(91 to 103)
VrNo	16/28.04.17
NAME OF THE AGENCY	Chandrabhanu Agrawal
NAME OF THE JE/GPTA	Birasing Biroli
NAME OF THE ME	Sameer KU Thakur
NAME OF THE EO	Biswambar Mishra

As per SR orate 2014 page 13 The rates of materials in SR are basic rates excluding cost of conveyance, royalty but including cost of stacking and C.S.T./V.A.T

But in contradict to the above rule no deduction was made from the stone products. The details of the same is furnished below.

Item	Quantity	Quantity of stone products	Cost/cum	Total cost		
CC(1:4:8)	30.41	29.19	761	22214		
CC(1:2:4)	30.47	27.42	1117	30628		
Spreading metal	40.8	40.8	736	30029		
				82871		
	5% of cost			4144		

During Exit Conference it was noticed that the amount of Rs 4,144.00 has been recovered vide MR No. 281 / 28014 dt. 28.2.19 and hence the para is dropped.

15.7 - EXCESS PAYMENT IN WORKS - POM NO 14/12.12.18

NAME OF THE WORK	preparation of Bhajan mandap in front of Mausima mandir
HEAD OF ACCOUNT	Own fund
ESTIMATED COST	49000
MB REF	403(116 to 126)

VrNo	356/25.09.17								
NAME OF THE AGENCY	Sarat Ku sahu								
NAME OF THE JE/GPTA	Sarat Ku sahu								
NAME OF THE ME	Sameer KU Thakur								
NAME OF THE EO	Surya narayan Das, Sub collector								
On scrutiny of the work case record it was noticed that 7.5 % over head charges were included in the departmental work, which is in admissible. The same leads to excess payment which needs recovery. The actual rate is calculated on the basis of the attached analysis of rate & differential cost was suggested for recovery.									
Item	Cost of materials	rate of labour	Royalty+ lead	Cess	Admissible rate	rate paid	Excess/ unit	Quantity	Excess payment
EW in hard soil		8600		86	86.86	119	32.14	39.6	1273
sand filling	56	24.72	283.4	3.64	367.76	371.51	3.75	19.8	74
Spreading crusher dust	101	212	266.64	5.8	585.44	731.31	145.87	39.6	5776
Excess payment									7123

During Exit Conference it was noticed that the amount of Rs 7,123.00 has been recovered vide MR No. 281 / 28015 dt. 28.2.19 and hence the para is dropped.

15.8 - EXCESS PAYMENT IN WORKS - POM NO 14/12.12.18

NAME OF THE WORK	Improvement of road & renovation of drain Rathagali Mandar bagicha Pada
HEAD OF ACCOUNT	14 th FC
AGRREMENT NO	1005/22.03.17
ESTIMATED COST	10 lakh
MB REF	410(91 to 103)
VrNo	225@/29.06.17
NAME OF THE AGENCY	Santosh Ku Panigrahi
NAME OF THE JE/GPTA	Sarat Ku sahu
NAME OF THE ME	Sameer KU Thakur
NAME OF THE EO	Biswambar Mishra
As per SR orate 2014 page 13 The rates of materials in SR are basic rates excluding cost of conveyance, royalty but including cost of stacking and C.S.T./V.A.T	
But in contradict to the above rule no deduction was made from the stone products. The details of the same is furnished below.	

Item	Quantity	Quantity of stone products	Cost/cum	Total cost

CC(1:4:8)	11.02	10.58	761	8051
CC(1:2:4)	37.44	33.7	1117	37643
				45694
	5% of cost			2285

During Exit Conference it was noticed that the amount of Rs 2,285.00 has been recovered vide MR No. 281 / 28016 dt. 28.2.19 and hence the para is dropped.

15.9 - Deleted

The subject matter of the para is already dealt in para 15.7 and hence d from this para.

15.10 - EXCESS PAYMENT IN WORKS POM NO 14/12.12.18

NAME OF THE WORK	Construction of drain from Subrat Mohanty house to DIPRO office WN 03
HEAD OF ACCOUNT	WODC
AGRREMENT NO	1174/04.07.16
ESTIMATED COST	5 lakh
MB REF	406(77 to 92)
VrNo	15/28.04.17
NAME OF THE AGENCY	Trinatha Harpal
NAME OF THE JE/GPTA	Birasing Biroli
NAME OF THE ME	Sameer KU Thakur
NAME OF THE EO	Biswambar Mishra

As per SR orate 2014 page 13 The rates of materials in SR are basic rates excluding cost of conveyance, royalty but including cost of stacking and C.S.T./V.A.T

But in contradict to the above rule no deduction was made from the stone products. The details of the same is furnished below.

Item	Quantity	Quantity of stone products	Cost/cum	Total cost
CC(1:3:6)	21.84	20.97	761	15958
CC(1:2:4)	60.66	54.59	1117	60977
CC1:1.5:3)	0.38	0.34	1117	380
				77315
	5% of cost			3866

During Exit Conference it was noticed that the amount of Rs 3,866.00 has been recovered vide MR No. 281 / 28017 dt. 28.2.19 and hence the para is dropped.

15.11 - EXCESS PAYMENT IN WORKS POM NO 14/12.12.18

NAME OF THE WORK	Construction of Pathagar near Durgamandap, Bhawanipatna
HEAD OF ACCOUNT	MPLAD
CR NO	01/01/2016
ESTIMATED COST	3 lakh
MB REF	412(28 to 42)
NAME OF THE AGENCY	Sarat Ku sahu
Vr No	52/08.11.17
NAME OF THE JE/GPTA	Sarat Ku sahu
NAME OF THE AEE	Sameer Thakur

Being the lowest bidder Sri Santosh ku panigrahi, Contractor was directed to execute the work with 15% less of the estimated cost.

	As per case record	As per audit	Remark	
Work done amount	301547	300000	In no way the work done value exceeds the estimated cost.	
Net amount payable (Say)	301547	300000	1547	Excess

Since the bill amount is limited to Rs 300000 no excess payment was made. Hence the Para dropped.

15.12 - EXCESS PAYMENT IN WORKS POM NO 14/12.12.18

As per schedule of rate 2014 page 18 the Conveyance of Materials by Ten Tone Trucks including loading & unloading. further at page 19 For item no . 1 i) 213 of rate is considered for loading ii) 1/3 of rate is considered for unloading but in the following items total cost for i.e. Rs 156.40. But as per provision it should exclude the uploading cost as the same is included in excavation of work in the labour component. As a result of which excess payment was made which needs recovery

Name of the work	Name of the executants	Vr No	date	Agreement No	MB Ref	Quantity executed	Excess payment/ cum	Excess payment
Construction of drain from Kunu Maharana house to Ghodawala house in ward no.12	Naresh Kumar Behera	650	15.01.18	91/07.11.17	413(83 to 110)	224.51	52.67	11825
Construction of CC Road near Satpathy	Kailash Maharana	594	19.12.17	79/04.10.17	381(122 to 132)	54	52.67	2844

Babu house last portion of lane no. 04 in Ward No. 15								
Construction of CC road in front of Sambad Office at Radhakrishan Nagar in ward no.13	Santosh Kumar Das	529	17.11.17	83/19.19.17	412(43 to 53)	52.97	52.67	2790
Construction of CC Road with at Sitabordipada Behind ITI in ward no.2	Urmila Khedenga	707	22.03.18	77/18.09.17	413(53 to 63)	97.51	52.67	5136
Improvement of CC road from NH.26 towards Bhima Patra house via Puspa Madam House in ward no.13	Manoj Kumar Patra	586	19.12.17	86/24.10.17	407(174 to 187)	180.06	52.67	9484
						Total		32079

During Exit Conference the local authority replied that, the amount was paid towards transportation of garbage and debris generated during execution of the said work because there was no suitable place within 50 mtr at nearby area for disposal of the same as per provision laid down in the OPWD code. Accordingly it is not excess payment of unloading cost for excavation work, rather payment of transportation cost of debris through hired vehicle. Hence the para may be dropped.

Excess payment in those work was detected due to not deducting loading charge from the transportation charge / lead of the material for 5 km and hence the reply of the local authority is not genuine and as such the para stands.

Person(s) Responsible for this paragraph

Sino	Name	Designation	Address	Amount(In Rs.)
1	SARAT KU SAHU	JE	AT PRESENT JE BHAWANIPATNA MUNICIPALITY DIST KALAHANDI	16040
2	SAMEER KU THAKUR	MEE	AT PRESENT BHAWANIPATNA MUNICIPALITY	16039

15.13 - NON PRODUCTION OF MB - POM NO 14/12.12.18

In course of audit it was noticed that the MB No. 385,387,400,401,397 were not produced before audit in spite of several approaches. Though the concerned works case records were produced before audit the relevant MBs were not produced before audit for verification. In absence of MB the genuineness of measurement taken for the quantity of works executed could not be ascertained. Hence till production of MB along with case records before audit for verification, Rs **2529754 is kept under objection.**

SL NO	NAME OF THE WORK	NAME OF THE CONTRACTOR	AMOUNT PAID	VR NO	MB NO	PAGE
1	Renovation of B.M.High School,Bh.patna,Municipality(Part-)	Sudhir kumar Panigrhi	353000	196/29.06.2017	397	126 TO 140
2	Completion of CC road At-Lane No.11 in ward no.02 Irrigation Colony (Part-2)	Sudhir Kumar Panigrhi	47200	100/17.05.2017	397	88 TO 93

3	Completion of Cc road at lane no.11 in wardno.02 Irrigation Colony(Part-3)	Sudhir Kumar Panigrahi	47600	102/17.05.2017	397	94 TO 97
4	Construction of road & Drain near Aahar Center	Sudhir Kumar Panigrahi	100973	9517.05.2017	397	156 TO 163
5	Improvement of road from Sabarpada towards Naik babu House(Police SD)	Sudhir Kumar Panigrahi	294000	96/17.05.2017	397	35 TO 40
6	Renovation of B.M.High School,Bh.patna,Municipality(Part-)	Sudhir kumar Panigrhi	379000	197/29.06.2017	397	141 TO 149
7	improvement of road from Greed Structure towards pipal tree near Kushadungri at Sitabordipada	Sudhir Kumar Panigrahi	498181	194/29.06.2017	400	65 TO 72
8	Improvement of Branch road at Kusha dongri Near Sitabordipada	Sudhir Kumar Panigrahi	500000	193/29.06.2017	400	73 TO 77
9	Improvement of road from Tarini Mandeir to towards Kushadugri	Sudhir Kumar Panigrahi	262000	195/29.06.2017	400	87 TO 93
10	Colour Wash at Town Hall in Bhawanipatna Municipality	Sudhir Kumar Panigrahi	47800	103/17.05.2017	397	106 TO 111
		Total	2529754			

During Exit Conference the local authority replied that, the required MB will be produced before next audit.

In absence of the MB, the genuineness of the quantity of work measured could not be assured in audit and hence the para stands.

15.14 - Important irregularities - POM NO 14/12.12.18

The following lapses are noticed during scrutiny of work case records along with M.B and other connected records.

1.In Work case records , the correspondence page have not been numbered. As the information sheet in correspondence pages relate to the note sheet of the case record , it is vital these pages should be serially numbered. This should strictly follow.

2.Pass for payment in some cases have not been reflected in Measurement books . Voucher no/date has not been reflected in M.B. & Note sheet against the payment. This need to be ensured by the local authority.

3. The register of works has not been maintained in proper format showing the payment made status of projects, estimated cost, scheme etc. This register should be positively maintained scheme wise.

4.Analysis of Rates against the rates allowed/ provided in the estimate is not found in some case records. The items in the analysis of rates should be in conformity with the no. of items provided exactly in the estimate i.e. no extra items beyond the items of the estimate should be found place in the analysis of rate.

5.Photocopy of the site prior to the beginning of the project and after completion is not found in all the cases. No bill payment should be made without keeping photocopies in view of transparency.

6.Display Board is not found to have been provided in all cases at the worksite which must be there to convey information to public about the work details

During Exit Conference the local authority replied to have noted the instructions of audit.

However, the local authority is advised to maintain all requisite records and registers and observe all formalities during execution of work and making payments there on.

15.15 - Production of records POM NO 21/29.12.18

In Para 15.9 of Audit Report No : 273982/AR/2016-2017-KALAHANDI, Rs 63.31 lakh was suggested for recovery due to non-production of work case record & MBs relating to the financial year 2015-16. In pursuance to POM No 09/28.11.18 issued during current audit, the local authority produced the following work case records & MBs.

Vr No	Amount	Name of the work
295/18.6	2.27	Renovation of Ram swami Temple
425/27.7	5	Construction of cc road from pwd road to Balrampur
497/30.7	1.71	Construction of cc road with drain and culvert from Bijay mund house to Benudhar house in ward no 12
506/27.7	2.6	Special repair to Ramhari res in ward no 01
546/11.8	0.45	Laying of water supply pipe at Gandhipark(p4)
547/11.8	0.49	Laying of watersupply pipe at Gandhipark(p 5)
548/11.8	0.49	Laying of water supply pipe at Gandhipark(p 6)
597/18.8	5	Development of road from Santosh marg culvert towards parapanda chowk in ward no 05
603/18.8	4.22	Construction of CC road and drain from backside of Tunu das house in ward no 01
604/18.8	5	Construction of CC road from Devta babu res towards Shaktinagarpada main road in ward no 04
631/19.8	4.17	Construction of CC road from Dillip mohantyhouse to Jaganath Tripathy res in ward no 05
900/28.10	3.17	Construction of CC road with drain from main road to lane no 05 in ward no 02 in ward no 02
Total	34.57	

In course of audit 12 no of records amounting to Rs 34.57 lakh were produced before audit for verification, which were verified in course of audit. Local authority may take suitable steps to produce the same before next audit. Till Then Rs 28.74 lakh remain as such.

Hence the objected amount in Para 15.9 of Audit Report No : 273982/AR/2016-2017-KALAHANDI Rs Rs.6331000.00 for the financial year 2015-16 is now reduced to Rs 2874000.00 hence corrigendum may be issued in this regard.

During Exit Conference the local authority replied to have noted the instructions. It was also assured to produce the balance records along with the concerned MBs before next audit.

The amount involved in the para is reduced to some extent according to the quantum of production of records. As this is a case relates to the audit of the previous year, necessary step is being taken for issue of corrigendum.

PARA: 16 AUDIT ON UNITS / DEPARTMENT

16.1 -

NOT REQUIRED IN THIS REPORT.

PARA: 17 AUDIT ON SCHEMES / PROGRAMMES

17.1 - THEMATIC AUDIT ON PROCUREMENT OF GOODS - POM NO 20/28.12.18

1.SCOPE of Audit

The purchase / procurement files of the Bhawanipatana Municipality NAC for the last three years i.e. 2015-16, 2016-17, 2017-18 are examined with the tender files so far produced before audit.

2. Objectives:

The objective of the thematic audit is to examine the records and ascertain whether,

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

3. Criteria:

The following Acts, Rules, Guidelines etc are followed while examining the records :

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

4.Audit findings

Sl.No	Vr.No & Date	Amount	Particulars	Bill No. & Date
1	48/06.05.17	26400	200 nos of drain brush quotation call notice No. dt.22.02.17	2163/28.02.17,2164/01.03.17,2165/01.03.17,SRP-111
2	51/06.05.17	63300	1 no of bush cutter machine quotation call notice No.2830/20.10.16	135/08.11.16 SRP-117
3	198/29.06.17	97469	17 nos of Dust bin (240 Ltrs quotation call notice No.1290 dt.31.03.17	40/23.04.17,SRP-10
4	229/29.06.17	22328	Honda Pump set	68/05.09.17,SRP-116
5	146/05.06.17	3000	Cost of Nadia Jhadu on dt.15.04.17	295/15.04.17,SRP-112
6	147/05.06.17	2900	Cost of Rafa,Fasda etc on 17.05.17	1493/08.04.17,SRP-115
7	208/29.06.17	5403	Phenyl herpic on dt.08.06.17	175/10.02.17,198/08.03.17,219/05.04.17
8	268/31.07.17	6000	200 nos of Jhadu on dt.05.06.17	332/03.06.17 SRP-113

9	283/31.07.17	241982	Cost of wheel barrow	
	Total	468782		
	2016-17			
1	626/27.12.16	199500	Bleaching powder 200 bags	900/06.07.16,SRP-03
		537760	Malaria Oil 4 drums	900/06.07.16,srp-21
		19513	Black Phenyl 2 drum	900/06.07.16,SRP-31
		26400	Drain brush 200 nos	2163,2164,2165/28.02.17
	Total	783173		
	2015-16			
1	672/01.09.15	199500	Bleaching powder 200 bags	772/12.07.15,SRP-157
		537760	Malaria Oil 4 drums	772/12.07.15,SRP-157
		24150	King Fug oil 10 Ltrs	772/12.07.15,SRP-157
	Total	761410		

N.B- Above materials have been procured from Gagan Chemical,Sambalpur vide Quotation Call Notice No.1310/13.06.14. No fresh quotation call was made which violates to the provision under Rule-53 of OGFR Vol-I. Thus, the procurement is irregular as it does not encourage transparency. These were the lapses found in the process of procurement of sanitation goods during the year 2015- 16,2016-17 & 2017-18..

Electrical goods

Sl.No	Vr.No & Date	Amount	Particulars	Bill No. & Date	SRP
	2015-16				
1	947/04.11.15	2000000	Procured from M/s Bhagbati Enter Prices vide Tender call Notice No.2428/18.08.15	16/04.09.15-Stock entered	14215167187
				71/24.07.15	261
2	81/24.04.15	1500000	Procured from K.P Electrical vide tender call Notice No.2988/06.12.14	11/19.03.15	359
3	1047/03.12.15	173325	Procured from K.P Electrical vide tender call Notice No.2988/06.12.14	15/26.11.15	359
	Total	3673325			
	2016-17				
1	53/23.04.16	2027818	Procured from Bhagbati Entries vide Tender Call notice No.	34/09.10.15,50/20.10.15,60/29.10.15,92/20.15	347,361,94,293,351,51,69,110,116,298,15,347 & 35
2	61/28.04.16	1119084	Procured from M/s Bhagbati Enter Prices vide Tender call Notice	14/04.09.15 44/16.10.15 48/16.10.15 52/20.10.15	147
3	770/20.02.17	3840645	Procured from Bhagbati Enterprises Kantabanji vide		

			Tender Call Notice		
	Total	6987547			
	2017-18				
1	26/01.05.17	3577920	Procured from M/s Bhagbati Enterprises vide Tender Call Notice 2428/18.08.15	82/18.03.17	169 189
				81/18.03.17	225
				50/23.09.16	17 37 71 95 110 116 288 294 299 348 363
				33/14.09.16	52 70 95 348 363
				315/06.09.17	
2	315/06.09.17	1919857	Procured from Narayani Alliance Vide Tender Call Notice No.3398/07.12.16	46/26.07.17	
	Total	5497777			

No fresh quotation call was made which violates to the provision under Rule-53 of OGFR Vol-I. Thus, the procurement is irregular as it does not encourage transparency. These were the lapses found in the process of procurement of electrical goods during the year 2015- 16,2016-17 & 2017-18..

5. Conclusion:

In purchase of sanitation materials & electrical goods proper procedure has not been adopted. Hence local authority is advised to adopt proper Tender Procedure hence forth wherever necessary for procurement of goods of high value prior to purchases made in each and every financial year.

6. Audit Suggestion:

The procedure as described in the criteria of this Para should be adhered to on procurement of goods. The stock register should be maintained on such procurement with the prescribe format in OGFR and should be duly be verified in accordance to rule 106 of the OGFR. The files relating to the procurement of goods or to any expenditure to be kept in sincere manner that can be produced before the inspecting authority as when required. Odisha Municipal Act & Rules, OGFR and the departmental guidelines issued on purchase of goods should also be scrupulously followed. Annual indent should be prepared for procurement stationary articles materials etc should be adopted as per rules & procedures cited above for a better financial management. Proper Tender Procedure is to be adopted hence forth wherever necessary for procurement of goods of high value prior to purchases made in each and every financial year.

During Exit Conference the local authority replied to have noted the instructions.

However, the local authority is advised to follow the provisions contained in various departmental guidelines during procurement of goods.

17.2 - Physical Progress of Developmental Works of Bhawanipatna Municipality POM NO 20/28.12.18

Physical Progress of Developmental Works of Bhawanipatna Municipality

SLNO	NAME OF THE SCHEME	TOTAL NO. OF SPILL OVER WORK AS ON 31.03.2017	NEW WORK AFTER 01.04.2017	TOTAL	COMPLETED	Total no of incomplete work as on 31.03.18	% of achievement
1	14TH Finance Commission	19	37	56	2	54	3.57
2	Road Development	11	0	11	0	11	0
3	Night Shelter	1	0	1	0	1	0
4	MPLAD	1	0	1	0	1	0
5	MLALAD	5	0	5	1	4	20
6	WODC	3	0	3	0	3	0
7	SPF	1	0	1	0	1	0
8	Moter Vehicle Tax	0	16	16	0	16	0
9	Creation of Capital Assets	0	1	1	0	1	0
10	Devolution of Fund	0	3	3	0	3	0
	Total	41	57	98	3	95	23.57

The authority is advised to take steps to ensure better performance in future.

PARA: 18 MISCELLANEOUS

18.1 - RECEIPT POSITION OF BHAWANIPATNA MUNICIPALITY

RECEIPT OF OWN SOURCE OF REVENUE , GRANTS AND CONTRIBUTION IN RESPECT OF BHAWANIPATNA MUNICIPALITY FOR THE YEAR 2017-18		
SI.	Head of receipt	Grand Total
I	RATES & TAXES	
1	Holding Tax	3076332
2	Latrine Tax	131
3	Light Tax	2510628
4	Water Tax	1878466
5	Rebate	-659210

	Total	6806347
II.	LICENCE & OTHERS FEES	
1	Licence from offensive and dangerous trade	53500
2	Licence fee	3714168
3	Cattle Pound	50100
	Total	3817768
III.	RECEIPT UNDER SPECIAL ACTS.	
1	Fine & Fees	0
2	Lease Amount of Hoarding	252500
	Lease of tank	20000
3	Lease/income amount of Gandhi Park	76000
	Total	348500
IV.	REVENUE DERIVED FROM MUNICIPAL POWER & PROPERTY	
1	Rent on land, Building & Shops	3019506
2	Rent on land, Building & Shops	
3	Weekly Market /Daily Market	998000
4	Water Tanker	35700
5	Rent from Kalyani Mandap	287000
6	Shop Donation	3767085
	Total	8107291
V.	GRANTS & CONTRIBUTION	
1	14th Finance Commission	29691000
2	Compensation & Assignment in lieu of Octroi	56491000
3	Arrear Pension & Basic Service	26136000
4	Motor Vehicle Tax	5557000
5	Devolution of Fund	18899000
6	Creation of Capital Asset	1898000
7	Maintenance of Capital Asset	906000
8	Honorarium, sitting fees to ULB Representatives	71400
9	Swachha Bharat Mission	17059850
10	NULM	1385261
11	Maintenance of Non Residential Building	474000
12	Maintenance of Roads & Bridges	3744000
	Total	162312511
VI.	OTHER GOVT. GRANTS	
1	MPLAD	2300000
2	M.L.A.L.A.D.	2200000
3	N.F.B.S.	200000
4	W.O.D.C.	1300000
5	Harishchandra Sahayata Yojna	450000
6	MBPY/IGNOAP/WP/DP	19664346
7	Const.of Pedestall for installation of Biju Pattnaik Statue.	340000

8	Special Development Programme	500000
9	Biju KBK	1324000
	Total	28278346
VII.	MISCELLANEOUS	
1	Audit Recovery	646189
	Excess payment in sanitation	200000
2	Sale of Building Approval Form	1710
3	Building Approval Fee	2977392
4	Hire Charges of Cess Pool	279500
5	Cost of Tender Paper	726386
6	Road Cutting Fee	52321
7	Scrap Materials	110000
8	GIS	16500
9	LIC	1063577
10	LOAN	169721
11	GPF	1634700
12	PF	0
13	EPF	946006
14	P.TAX	116750
15	Pension Contribution of LFS / Non-LFS Employees	135751
16	IT of staff	96000
17	Advance recovery	19844050
19	HRA	3600
20	NPS	159245
21	Interest from Bank	3612876.85
	Total	32792274.85
VIII.	EXTRA ORDINARY & DEBTS	
1	S.D/EMD	1723086
2	Income Tax of contractor	572595
3	Sales Tax	599011
4	Royalty	2457711
5	Cess	940861
6	Empty Bitumen Drum	0
7	Empty Cement Bag	145335
8	RTI	0
	Total	6438599
	GRAND TOTAL	248901636.85
18.2 - EXPENDITURE STATEMENT OF BAWANIPATNA MUNICIPALITY FOR THE 2017-18		

EXPENDITURE STATEMENT OF BAWANIPATNA MUNICIPALITY FOR THE 2017-18		
Sl.	Head of receipt	Grand Total
I	General Administration	
A	General Establishment	
1	Pay	432310
2	Grade Pay	85618
3	D.A.	683669
4	H.R.A. / C.A.	28692
5	P.Tax / P.Contribution / LS. Contribution	26871
5	Leave Salary and Unutilised leave Salary	1615285
6	Allowance to Chairperson / Vice-Chairperson and Sitting Allowance	89100
7	Payment of Telephone Bill	73473
8	Payment of Advertisement Charges	139194
9	Postage Stamp	11000
10	Hire Charges of Car	240000
11	Cost of Office Furniture	0
12	Office Contingency	794035
13	Salary to Contractual / Consolidated employees	4103543
	TOTAL	8322790
B	Tax Section	
1	Pay	284226
2	Grade Pay	68400
3	D.A.	465468
4	H.R.A. / C.A.	29116
5	P.Tax / P.Contribution	15026
	TOTAL	862236
C	Octroi Section	
1	Pay	892485
2	Grade Pay	174712
3	D.A.	1408702
4	H.R.A. / C.A.	95016
	TOTAL	2570915
D	Survey of Land / Deposit of Premium	
E	Refund of Excess Deduction	
F	pension / Family Pension	7002810
G	Gratuity	5210729
	TOTAL	12213539
II	PUBLIC SAFTY	

A	Light Section	
1	Pay	201510
2	Grade Pay	38300
3	D.A.	316552
4	H.R.A. / C.A.	26971
5	Maintenance of Street Light.	807000
	TOTAL	1390333
III	PUBLIC HEALTH	
A	Scavenging Section	
1	Pay	3279750
2	Grade Pay	657951
3	D.A.	5497765
4	H.R.A. / C.A.	433120
5	Procurement of Sanitation Materials, Equipment and Medicine	63300
6	Fair Festival and Exhibition	0
7	Supply of Liveries / Wheel Barrow	
8	Maintenance of Municipal Vehicle	394249
9	Cost of POL	2717410
10	Payment of Cleaning and Sanitation Charge to Private Agency	9795995
11	Maintenance of Kine House	62833
12	Sanitary Arrangement	288515
13	Contingency	130401
16	Others	280993
	TOTAL	23602282
IV	MEDICAL ESTABLISHMENT	
1	Pay	288364
2	Grade Pay	60200
3	D.A.	460107
4	H.R.A. / C.A.	37537
5	P.Tax / P.Contribution	36192
	TOTAL	882400
V	PUBLIC CONVENIENCE	
A	Park Section	
1	Pay	210460
2	Grade Pay	40000
3	D.A.	330610
4	H.R.A. / C.A.	27446
	TOTAL	608516
VI	PUBLIC WORK	

A	Works Section	
1	Pay	523734
2	Grade Pay	161787
3	D.A.	903917
4	H.R.A. / C.A.	79616
5	P.Tax / P.Contribution	18635
6	Eviction Work	
7	Contingency	17587
	TOTAL	1705276
VII	PUBLIC INSTRUCTION	
A	U.B.S. Section	
1	Pay	294195
2	Grade Pay	62500
3	D.A.	343398
4	H.R.A. / C.A.	4485
5	P.Tax / P.Contribution	39025
	TOTAL	743603
B	Club Section	
1	Pay	105230
2	Grade Pay	20000
3	D.A.	165305
4	H.R.A. / C.A.	13723
	TOTAL	304258
VIII	DEVELOPMENT & UPGRADATION OF URBAN POOR	
1	Construction / Repair of of Drains and Culverts under Schematic Fund	3409455
2	Maintenance / Construction of Roads under Schemativ Fund	24224705
	TOTAL	27634160
IX	GRANTS & CONTRIBUTION	
1	Road Development	1440264
2	14th Finance Commission	21685956
3	Arrear Pension & Basic Service	17981239
4	Motor Vehicle Tax	3233341
5	Devolution of Fund	24170802
6	Creation of Capital Asset	871718
7	Swachha Bharat Mission	3784976
8	NULM	480000
9	Maintenance of Non Residential Building	3200000
10	Maintenance of Roads & Bridges	447000

		TOTAL	77295296
X	Other Govt. Grants		
1	MPLAD		1742817
2	M.L.A.L.A.D.		1129514
3	N.F.B.S.		160000
4	W.O.D.C.		3308961
5	Harishchandra Sahayata Yojna		450000
6	MBPY/IGNOAP/WP/DP		16962580
7	Census		631750
8	Special Problem Fund		200000
9	Special Development Programme		302674
10	Night Shelter		1116651
11	BRGF		844045
12	Biju KBK		1081688
		TOTAL	27930680
XI	Miscellaneous		
1	Intrest on Loan		0
2	Law Charges / Legal Expenses		15000
3	Printing & Stationary		74635
4	Disposal of Un-claimed dead body		0
5	Glow Sign Board		0
6	Obsequise		5000
7	Expenditure on Hiring of vehicle		
8	Jala Chhatra /Supply of Drinking Water		150000
9	Observance of National Day		46350
10	Observance of LSG Day		30000
11	Observance of Kalahandi Utsav		80000
12	Payment of TA / DA		38762
13	Payment of Arrear Salary/TA / DA		1688315
14	Procurement /Repairing of Water Tanker		0
15	Organisation of RTI Work Shop and Awareness Camp		0
16	Bank Charges		8152
17	Damage and Penal Interest towards EPF		
18	e-filling of Income Tax (TDS Quarterly Return)		4000
		TOTAL	2140214

XII	Extra Ordinary & Debts	
1	Payment of Medical / TA Advance /Festival Advance/Other advances	20954400
2	Insurance and Vehicle Tax	2025
3	Maintenance of Office Computer	280618
4	Deposit of Income Tax of contracor	572595
5	Deposit of Sales Tax	599011
6	Deposit of Cess	466989
7	Deposit of Royalty	1283556
8	Deposit of SD	780500
9	Deposit of ECB	145335
10	GIS	16500
11	LIC	1063577
12	LOAN	169721
13	GPF	1634700
14	PF	0
15	EPF	946006
16	P.TAX	116750
17	IT of staff	96000
18	RTI	40
19	Pension Contribution of LFS / Non-LFS Employees	135751
	TOTAL	29264074
	GRAND TOTAL	217470572

18.3 - RECTIFICATION IN DCB

In course of audit it was noticed that in last audit report -ve balance in the balance amount which is quite impossible, as in no way the collection exceeds the demand. In order to asceratin the position the last 3 audit reports were verified. In the DCB position of 2015-16 some lapses was noticed in transfer of previous year demand. Accordingly changes have been made without affecting the demand &collection position. The new DCB position of 2017-18 is prepaired on the basis of rectified DCB position.

Annual DCB of Tax & Fee for the year 2015-16

SI No	Name of the Tax	Demand as on 01.04.2015			Collection during the year 2015-16			Rebate	Current collection + rebate	Balance as on 31.03.2016		
		Arrear	Current	Total	Arrear	Current	Total			Arrear	Current	Total

1	Holding Tax	3755742.20	1126519.00	4882261.20	566687.00	1008876.00	1575563.00	77049.00	1085925.00	3189055.20	40594.00	3229649.20
2	Latrine Tax	523268.65		523268.65	1251.00		1251.00		0.00	522017.65	0.00	522017.65
3	Lightng Tax	4373398.87	1003759.00	5377157.87	280467.00	645012.00	925479.00	68488.00	713500.00	4092931.87	290259.00	4383190.87
4	Water Tax	3567175.12	751060.00	4318235.12	211555.00	636725.00	848280.00	51363.00	688088.00	3355620.12	62972.00	3418592.12
	TOTAL	12219584.84	2881338.00	15100922.84	1059960.00	2290613.00	3350573.00	196900.00	2487513.00	11159624.84	393825.00	11553449.84
5	House Rent	2721957.00	2356058.00	5078015.00	570178.00	2206713.00	2776891.00			2151779.00	149345.00	2301124.00
6	Plot ot Rent	6303.09		6303.09			0.00			6303.09	0.00	6303.09
	TOTAL	2728260.99	2356058.00	5084318.99	570178.00	2206713.00	2776891.00	0.00	0.00	2158082.09	149345.00	2307427.09
7	Cart & Carriage	17580.00		17580.00			0.00			17580.00	0.00	17580.00
8	D & O Trade	174291.00	500000.00	674291.00		500000.00	500000.00			174291.00	0.00	174291.00
9	Bus Stand	500.00		500.00			0.00			500.00	0.00	500.00
10	Cattle Pound	466.00	36000.00	36466.00		36000.00	36000.00			466.00	0.00	466.00
11	Slaughter House	42592.00	27000.00	69592.00		27000.00	27000.00			42592.00	0.00	42592.00
12	Market Fees	217186.00	1269600.00	1486786.00		943600.00	943600.00			217186.00	326000.00	543186.00
13	Lease of Tank	63523.00	9000.00	72523.00		6000.00	6000.00			63523.00	3000.00	66523.00
14	Misc	119028.00	6000000.00	6119028.00	119028.00	5752660.00	5871688.00			0.00	247340.00	247340.00
	TOTAL	635166.00	7841600.00	8476766.00	119028.00	7265260.00	7384288.00	0.00	0.00	516138.00	576340.00	1092478.00
	GRAND TOTAL	15583010.93	13078996.00	28662006.93	1749166.00	11762586.00	13511752.00	196900.00	2487513.00	13833844.93	1119510.00	14953354.93

Annual DCB of Tax & Fee for the year 2016-17

SI No	Name of the Tax	Demand as on 01.04.2016			Collection during the year 2016-17			Rebate	Current collection + rebate	Balance as on 31.03.2017		
		Arrear	Current	Total	Arrear	Current	Total			Arrear	Current	Total
1	Holding Tax	3229649.20	2684814.00	5914463.20	1060490.00	1666913.00	2727403.00	170645.00	1837558.00	2169159.20	847256.00	3016415.20
2	Latrine Tax	522017.65		522017.65	760.00		760.00		0.00	521257.65	0.00	521257.65
3	Lightng Tax	4383190.87	1649107.00	6032297.87	635510.00	1403369.00	2038879.00	151684.00	1555053.00	3747680.87	94054.00	3841734.87

		7	0	7	0	0	0	0	0	7		7
4	Water Tax	3418592.12	1236768.00	4655360.12	497818.00	1030640.00	1528458.00	113768.00	1144408.00	2920774.12	92360.00	3013134.12
	TOTAL	11553449.84	5570689.00	17124138.84	2194578.00	4100922.00	6295500.00	436097.00	4537019.00	9358871.84	1033670.00	10392541.84
5	House Rent	2301124.00	2356058.00	4657182.00	1051298.00	1330997.00	2382295.00			1249826.00	1025061.00	2274887.00
6	Plot ot Rent	6303.09		6303.09			0.00			6303.09	0.00	6303.09
	TOTAL	2307427.9	2356058.00	4663485.9	1051298.00	1330997.00	2382295.00	0.00	0.00	1256129.9	1025061.00	2281190.9
7	Cart & Carriage	17580.00		17580.00			0.00			17580.00	0.00	17580.00
8	D & O Trade	174291.00		174291.00			0.00			174291.00	0.00	174291.00
9	Bus Stand	500.00		500.00			0.00			500.00	0.00	500.00
10	Cattle Pound	466.00	40000.00	40466.00		36000.00	36000.00			466.00	4000.00	4466.00
11	Slaughter House	42592.00		42592.00			0.00			42592.00	0.00	42592.00
12	Market Fees	543186.00	1269600.00	1812786.00		1115500.00	1115500.00			543186.00	154100.00	697286.00
13	Lease of Tank	66523.00	3000.00	69523.00		800.00	800.00			66523.00	2200.00	68723.00
14	Misc	247340.00	7000000.00	7247340.00		6010675.00	6010675.00			247340.00	989325.00	1236665.00
15	License		811000.00	811000.00		566742.00	566742.00			0.00	244258.00	244258.00
	TOTAL	1092478.00	9123600.00	10216078.00	0.00	7729717.00	7729717.00	0.00	0.00	1092478.00	1393883.00	2486361.00
	GRAND TOTAL	14953354.93	17050347.00	32003701.93	3245876.00	13161636.00	16407512.00	436097.00	4537019.00	11707478.93	3452614.00	15160092.93

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

19.1 - Remittance of Govt dues - POM NO 17/24.12.18

As per Rule 141 of the Odisha Municipal Rules,1953 a "Deposit Ledger"(Form no.-XX) and as per Rule 143 of the Odisha Municipal Rules,1953 at the close of every quarter a list of outstanding deposits(Form no.-XXI) are to be maintained. As enquired the deposit ledger in prescribed format has not been maintained. Due to non maintenance of such deposit ledger the local authority has not been able to find out the outstanding dues to be deposited by the end of the financial year. This resulted in pending of GOVT dues as detected in audit had this ledger been maintained and d this arrear accumulation would not have taken place and the GOVT dues would have been properly deposited in time. To be more specific on the matter the amount relating to Royalty and cess ought to have been deposited every month without pending for years. This is highly irregular. The local authority should pay focal attention in future for deposit of Govt. dues in time.

SL NO	Particulars	Royalty	Sales Tax	I.T	P.Tax	Cess	Total
1	O.B. as on 01.04.17	1148788	0	0	0	0	1148788
2	Amount Collected during the year 2017-18	662246	59901	485571	116750	276976	1601444
3	Total	1811034	59901	485571	116750	276976	2750232
4	Amount Remitted during the year 2017-18	636879	59901	477071	116750	268476	1559077
5	Balance to be remitted as on 31.03.18	1174155	0	8500	0	8500	1191155

During Exit Conference the EO replied that, there is no such dues towards Royalty is outstanding for deposit as on 31.3.18 as all the dues for Rs 12,83,556.00 collected during 17-18 has been deposited with Govt.

The local authority need to go through the previous audit reports to assure on the pendency position and compliance reported.

19.2 - NSDP loan - POM NO 17/24.12.18

As per Rule 149 of the Odisha Municipal Rules 1953 a loan register is to be maintained. (Form no.-XXVII). Further Rule 150 of the Odisha Municipal Rules 1953 envisages that the loan amount shall not be appropriated even temporarily to any object other than that for which the loan was raised. The position of loan received and repaid during the year 2017-18 is furnished below.

Particulars	PRINCIPAL	INTEREST	TOTAL
Loan outstanding for recovery as on 1.4.17	5163955	907042	6070997
The amount due for 2017-18	0	941042	941042
Total	5163955	1848684	7012639
Repayment of loan made during the year 2017-18	0	0	0
Balance for loan outstanding for repayment as on 31.03.2018	5163955	1848684	7012639

The above statement of the loan position reveals that the outstanding amount due for realisation is increasing every year due to non realisation of either principal amount or the interest due from the loonies. The loan does not give clear picture of the beneficiary loonies due to non updating of individual loan account. The inaction of the local authority has indirectly encouraged the loonies to remain in stith. Therefore the amount is tending towards risky loan which may be converted to a loss. Hence necessary early steps may be taken by the local authority to affect the recovery from the loonies to compensate the loss of Govt. money & compliance reported.

During Exit Conference the EO replied that, all the loan amount has been repaid to Govt by way of deduction from the grants of the Municipality.

The local authority need to work out and prepare a loan register showing all details of loan received and repaid along with the interest dues and produce the same before audit for rectification of the balance figures.

19.3 - EPF position - POM NO 17/24.12.18

In Accordance with Rule 436 of OM Rules 1953 every council shall maintain and administer a provident fund. As per Rule 442 of OM Rules 1953 a provident fund ledger in Form No.P.F. 5 is to be kept in the municipal office. As per Rule 445 of OM Rules 1953 the amount deducted from the pay bills as provident fund deduction and the contribution paid by the council and other sum relating to the provident fund shall be lodged in the Govt. treasury and a separate cash book shall be maintained. The whole or any portion of such deduction, contribution and other sum relates to provident fund may be withdrawn from the treasury at such intervals as may be necessary for investment in interest bearing securities or deposits.

SLNO.	Particulars	EPF
1	O.B. as on 01.04.2017	29212656
2	Amount deducted during the year 2017-18	946006

3	Total	30158662
4	Amount deposited during the year 2017-18	946006
5	Balance to be deposited as on 31.03.18	29212656

During Exit Conference the EO replied that, there is no such amount is outstanding for deposit towards EPF dues. The said dues are being deposited on 15th of every month with the EPF Commissioner. The same may be verified and para may be dropped.

All the dues shown outstanding the audit report relates to the previous year. The local authority need to go through the previous audit reports to assure on the pendency position and compliance reported.

PARA: 20 RESULT OF AUDIT AND CONCLUSION

20.1 - Remarks On Maintenance of Account
The state of maintenance of accounts needs drastic improvement. The authority is advised to take prompt steps for the same.
20.2 - General Remarks
<p>The state of maintenance of books of accounts, records and registers of the Municipality is not satisfactory.</p> <p>Financial transactions have not been regulated in accordance with the budgetary provisions.</p> <p>Advances to the tune of Rs. 17182009.28 has not been adjusted at the end of the financial year. Grants have not been utilized promptly due to which huge balance of unspent grants for amounting Rs. 133226482.00 is lying at the end of the fiscal 17-18.</p> <p>Pace of submission of U.C. is also not accelerated, as a result pendency of huge amount of UC is waiting for clearance.</p> <p>Collection of statutory taxes has not been expedited and enhanced the Revenue of the Municipality. Codal provisions have not been adopted to collect huge outstanding balance of arrear dues of holding tax, for which an innovative measure should be adopted by the Municipality Authority.</p> <p>Outstanding loans have not been yet redeemed.</p> <p>Several important accounts, and registers such as CPF cash book, outstanding ledger of advances, outstanding register of deposits, and advances, D.C.B .register of rent & fixed demands. register of utilization of grants etc. have not been maintained properly and up-dated. Hence much and more efforts should be taken by the Municipality authority to bring a reform not only in the state of collection of taxes and management of financial policies, but also to revive the state of maintenance of accounts, records and registers of the Municipality, as prescribed in OMC Rule-1953 to make the accounts of each and every individual section convenient, lucid and clear so that a steady reference can be achieved on a particular subject/account as and when required.</p> <p>Hence the Local Authority is suggested to emphasis the following tips in order to achieve a magnificent account as well as performances in streamlining the provisions as made by the Govt. from time to time to provide better service delivery system to Urban people.</p> <ol style="list-style-type: none"> 1. Consider preparing of annual budget keeping in view the actual requirement of funds and their utilization for developmental projects. 2. Ensure monthly reconciliation of cash book balance with that of pass book balance of Banks and maintain the records up dated regularly to solve future complications.

3. Ensure prompt and effective action for adjustment/recoupment of the outstanding advances and submission of pending U.Cs.
4. Ensure financial discipline and strengthen monitoring mechanism by putting an internal control system and its proper functioning.
5. Ensure prompt and punctual planning to accelerate the expenditure of huge unspent govt. grants.
6. Attend advice and suggestions of controlling and higher supervisory authorities punctually.
7. Ensure proper training to staffs associated with accounts. Suitable cadre on accounts may be created for the Cashier and Accountant in the Municipality.
8. Proper and timely maintenance of accounts and returns.
9. Submit proper compliance to outstanding audit paragraphs for their early settlement.
10. The unspent grant position is alarmingly high. As per Rule 171 (2) of D.G.F.R., unless it is otherwise ordered by Government, the grant will be spent upon the object within a reasonable time, if no time-limit has been fixed by the sanctioning authority. As per Rule 171 (3) (a) of D.G.F.R., the expression 'reasonable time' should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant even though the period extends beyond the financial year. Immediately on the expiry of the period of one year from the date of sanction, any unspent balance out of the grant should be duly surrendered to government.

During Exit Conference the EO replied to have noted the same for guidance.

The local authority need to follow the audit suggestions in order to ensure a better shape of accounts.

As a result of this Audit transactions involving a sum of Rs 16910374.00 are held under objection which include an amount of Rs 7367981.00 suggested for recovery. Besides, a sum of Rs 238296 was recovered at the instance of audit. The details are furnished in the following tables.

Result Of Audit

Sl No	Paragraph No.	Amount suggested for recovery(In Rs:)	Amount kept under objection including amount suggested for recovery (In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	8.1	1996000.00	1996000.00	1996000.00	0.00	0.00	
2	13.2	153404.00	153404.00	153404.00	0.00	0.00	
3	13.6	2006480.00	2006480.00	2006480.00	0.00	0.00	
4	13.7	1166000.00	1166000.00	1166000.00	0.00	0.00	
5	13.10	118118.00	118118.00	118118.00	0.00	0.00	
6	13.14	1829900.00	1829900.00	1829900.00	0.00	0.00	
7	14.1	66000.00	66000.00	66000.00	0.00	0.00	
8	15.12	32079.00	32079.00	32079.00	0.00	0.00	
9	15.13	0.00	2529754.00	0.00	0.00	0.00	
10	19.2	0.00	7012639.00	0.00	0.00	0.00	
Total		7367981.00	16910374.00	7367981.00	0.00	0.00	

Spot Recovery

Sl No	Ref to Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	15.10	MR- 281/28017	2019-02-28	3866	Sarat Ku Sahu, JE
2	15.5	MR- 281/28013	2019-02-28	5659	
3	15.6	MR- 281/28014	2019-02-28	4144	
4	15.7	MR- 281/28015	2019-02-28	7123	
5	11.2	Federal bank A/C 21920200001299	2018-12-07	218	Dayanidhi Thakur,TC

6	15.8	MR- 281/28016	2019-02-28	2285	
7	14.3	MR 281/18	2019-02-28	7709	
8	14.7	MR- 281/28018	2019-02-28	7897	
9	15.2	MR - 281/28010	2019-02-28	5244	
10	15.3	MR- 281/28011	2019-02-28	10800	
11	15.4	MR- 281/28012	2019-02-28	498	
12	11.4	Bank of Boroda A/C No 33670100000922	2019-01-22	145600	SMT GEETASHREE DASH,CO
13	11.3	Federal bank A/C 21920200001299	2018-11-14	35482	Sri Biswakesh Mishra, Electrician
14	11.2	Federal bank A/C 21920200001299	2018-12-07	23	Satyanarjan Sudhakar,TC
15	11.1	Federal bank A/C 21920200001299	2018-11-03	1748	HK NAIK
				Total	238296

Audit Certificate

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

Approved by:
District Audit Officer
Local Fund Audit,KALAHANDI