

**LOCAL FUND AUDIT, BHUBANESWAR, ODISHA**

CATEGORY : Municipality/Municipal Corporation,General

Audit Report No : 362504/AR/2017-2018-BHUBANESWAR

**PARA: 1 TITLE SHEET**

1	Name of the Institution :	<b>Jatni Municipality</b>
2	Year of Accounts under Audit :	<b>2016-2017</b>
3	Name of the Local Authority during the year of A/Cs :	SMT. LALITA KAPOOR, E.O. 01.04.2016 - 31.03.2017
	Name of the Local Authority at the time of Audit :	SMT. LALITA KAPOOR, E.O.
4	Duration of Audit :	29-01-2018 To 04-04-2018 (Mandays Consumed :- 49.5)
5	Name of the Auditors :	PRADEEP KUMAR SAHOO - Lead Auditor(29-01-2018 to 04-04-2018) MONALISHA PRADHAN - Auditor(29-01-2018 to 04-04-2018) SMT MADHUSMITA DAS - Auditor(21-03-2018 to 04-04-2018)
6	Name of the Reviewing Officer :	JYOTI RANJAN JENA(Audit Superintendent)
7	Date of submission of report by Reviewing officer :	21-04-2018
8	Entry Conference Date :	17-01-2018
9	Exit Conference Date :	16-05-2018
10	Name of the District Audit Officer :	
11	Date of approval of report by District Audit Officer :	19-05-2018

**PARA: 2 PHYSICAL VERIFICATION**

Sln0	Items	Date Of Physical verification Before / After Transaction	Physical Balance	Balance As per Cash Book / Stock Register	Reference To The Page No Of Cash Book / Stock Register	Discrepancies If Any
1	Cash in hand	29.01.2018	134526.00	134526.00	219	
2	OAP	29.01.2018	0	0		
3	ServicePostage Stamps	29.01.2018	13.00	13.00	15	
4	Miscellaneous Receipt Books	29.01.2018	35	35	24	
5	Measurement Books	29.01.2018	6	6	177	
6	Octroi transit receipt book	29.01.2018	180	180	55	
7	User Receipt Book Rs.10.00	29.01.2018	130	130	12	
8	Octroi receipt book	29.01.2018	80	80	58	
9	User Receipt Book Rs.20.00	29.01.2018	90	90	8	
10	User Receipt Book Rs.50.00	29.01.2018	20	20	15	
11	User Receipt Book Rs.30.00	29.01.2018	40	40	5	
12	Receipt Book under section 307	29.01.2018	1404	1404	20	
13	Seizer book U.S 311	29.01.2018	9	9	45old	
14	PA cash book cash in hand	29.01.2018	135.00	135.00		
15	Licence on Cart,Carriage	29.01.2018	10	10	81	
16	Seizure Book U.S 309	29.01.2018	-	-	52old	
17	Holding tax receipt books	29.01.2018	63	63	3	

**Comments**

As per OM Rule, the retention of cash balance in hand prescribed limit is Rs. 10000.00 provided that if the head quarter is situated at a place with no Treasury or Sub-Treasury, then money can be held to a maximum of Rs.20000.00. But on verifying & Checking of the Cash book, it is found that cash amounting to Rs. 134661.00 is kept in hand as hard cash contravening the rule. The above mentioned practice may be avoided in future.

The physical cash verification was conducted on 29.1.2018 before the days transaction . The local authority deposited Rs. 134235.00 in PL A/C No-4448 on the same day i.e. 29.1.2018 vide challan no.-15.

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

Sino	List Records/Register	Rules	Form No
1	Measurement Book	Rule 365	Form W-VIII
2	Stock & Store Register of Municipality	Rule 346	Form W-VII
3	Register of Works	Rule 345	Form W-VI
4	Stock account of Receipt Forms	Rule 196	Form L
5	Tax collector's daily collection register	Rule 192	Form K
6	Demand and Collection Register	Rule 178	Form B
7	Stamp Account	Rule 172	Form No. XLIV
8	Stock Register of Stationery	Rule 172	Form No. XLIV
9	Stock account of Tickets used for daily collection of Market fees	Rule 171	Form No. XLIII
10	Daily Collection Register	Rule 171	Form No. XL
11	Stock account of License Number Plates	Rule 155	Form No. XXXII
12	Miscellaneous Receipts	Rule 157	Form No. XXXIV
13	Cash Book of the municipality	Rule 125	Form No. XIV
14	Periodical Increment Certificate	Rule 99	Form No. XI
15	Permanent Advance Account	Rule 108	Form No. XII
16	Voucher of Recoupment of Permanent Advance Account	Rule 110	Form No. XIII
17	Salary Bills	Rule 97	Form No. IX
18	Register of Bills	Rule 96	Form No. VII
19	Cashier's Cash Book	Rule 81	Form No. V
20	Challan	Rule 87	Form No. VI
21	Subsidiary Cash Book	Rule 128 A	Form No. V-A
22	Budget Estimate	Rule 74	Form No. I
23	Abstract of the Budget Estimate	Rule 74	Form No. I-A

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

Sino	List Records/Register	Rules	Form No
1	Absentee Statement	Rule 97	Form No. X
2	Order Book	Rule 96	Form No. VIII
3	Schedule for the Budget Estimate	Rule 77	Form No. III

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

Sino	List Records/Register	Rules	Form No
1	Miscellaneous Supply Bill	Rule 343	Form W-V
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 Estimates & Allotments	Rule 332	Form W-I
6	Register of Distrainted property & sales	Rule 204	Form S
7	Warrant register	Rule 202	Form R
8	Form of inventory & Notice	Rule 203	Form Q
9	Distraint Warrant Register	Rule 202	Form P
10	Notice of demand for tax u/s-161 of OM Act	Rule 202	Form O
11	Progress statement of collection of taxes	Rule 200	Form N
12	Tax collector's Ledger	Rule 198	Form M
13	Register of writes off of demands	Rule 190	Form J
14	Tax Receipt Form	Rule 188	Form I
15	Arrear Demand Register	Rule 187	Form H
16	Mutation Register	Rule 184	Form G
17	Form of appeal petition	Rule 183	Form E
18	Register of Petitions	Rule 183	Form F
19	Assessment List	Rule 177	Form A
20	Tax Ledger (personal A/C of Tax Payers)	Rule 178	Form B(I)

21	Register of Interest Bearing Securities	Rule 147	Form No. XLI
22	Register of Grants	Rule 80	Form No. XLII
23	Arrear List	Rule 170	Form No. XXXIX
24	Jamabandi Register	Rule 170	Form No. XXXVII
25	Ledger of Lessees	Rule 170	Form No. XXXVIII
26	Register of Lands	Rule 160	Form No. XXXV
27	Register of Rents for which there is fixed demand	Rule 163	Form No. XXXVI
28	License Register for Drivers and Owners of Carriages plying for hire	Rule 156	Form No. XXXIII
29	Application for License for Carriage, Cart, Horses and Other animals	Rule 152	Form No. XXXI
30	License for Carriages, Carts, Horses Other and animals	Rule 154	Form No. XXX
31	Register of the Tax on Carriages, Carts, Horses and Other animals	Rule 151	Form No. XXIX
32	Appropriation Register of Loan Funds	Rule 150	Form No. XXVIII
33	Loan Register	Rule 149	Form No. XXVII
34	Register of Investments	Rule 148	Form No. XXVI
35	Establishment Audit Register	Rule 146	Form No. XXV
36	Annual Account of Receipts and Expenditure	Rule 145	Form No. XXIV
37	Register of Quarterly & Annual account of Expenditure	Rule 144	Form No. XXIII
38	Register of Quarterly & Annual account of Receipt	Rule 144	Form No. XXII
39	Register of outstanding deposits	Rule 143	Form No. XXI
40	Deposit Ledger	Rule 142	Form No. XX
41	Register of Outstanding Advances	Rule 140	Form No. XIX
42	Advance Ledger	Rule 136	Form No. XVIII
43	Register of adjustments	Rule 132	Form No. XVII
44	Abstract Register of Receipts	Rule 129	Form No. XV
45	Abstract Register of Expenditure	Rule 129	Form No. XVI
46	Subsidiary account of special taxes	Rule 79	Form No.-IV

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

Sino	List Records/Register	Rules	Form No
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**Comments**
**3.1**
**Maintenance of records and registers**

Scrutiny of records revealed that 48 numbers of records and registers have not been maintained by the local authority. In response to the audit objection statement issued in this score, the E.O. admitted that these records were not maintained / d at their level and agreed to maintain the same at the earliest. Among these records, there are some most important registers like –

- a. Outstanding advance ledger,
- b. Warrant register,
- c. Distress warrant register,
- d. Arrears demand register,
- e. Register of lands,
- f. Annual accounts of receipt & expenditure,
- g. Registers of outstanding deposits etc.
- h. Reconciliation register

Non maintenance of these records may result in loss of municipal fund in future. So these records may please be maintained at the earliest to avoid any loss in future.

Accountant in charge of accounts section, Tax Daroga, Head Asst., Cashier are the persons responsible for non-maintenance of these records. The Executive Officer and the Chairperson are the key persons vested with overall responsibility of supervision and periodic inspection of these records.

### **3.2 Maintenance of register of Fixed Assets**

As per Rule 71(1) of Odisha Municipal (Accounts) Rules-2012, the NAC/Municipality shall maintain the following fixed asset registers comprising of land, buildings and all other infrastructure, immovable and movable properties which belong to the NAC/Municipality:—

- a. Register of Land (Form ACNT-32)
- b. Register of Immovable Properties (Form ACNT – 30)
- c. Register of Movable Properties (Form ACNT – 31)
- d. Register of Public Lighting System (Form ACNT – 36)

Scrutiny of records revealed that the Municipality has not maintained the asset registers as prescribed above. Despite provisions in the rules, the EO has failed to ensure maintenance of the asset registers and its review once in a year. Due to non-maintenance of the asset register, the true and fair picture of the assets created under various schemes could not be ensured in the periodical reporting. There was, thus, no consolidated database on assets created. It is further suggested that

1. These registers shall be maintained category wise in respect of lands, buildings, etc.
2. The infrastructure assets like roads, bridges, culverts, drains, shall be recorded in such a manner as to identify location, measurements, etc.
3. The registers shall be maintained fund wise.
4. Any new asset that is capitalized, purchased or obtained by way of grant or gift shall be recorded in the register on the date the asset is capitalized, purchased or obtained.
5. An Asset Replacement Register shall also be maintained in Form ACNT–35 which shall record the history of the asset in use in the Municipality. This shall capture the usage and depreciation details of the asset.

**PARA: 4 FINANCIAL POSITION**

Jatni Municipality - 2016-2017

S/no	Name of the Cash Book	OB as on Date	Opening Balance(In Rs:)	Receipt during the Year under Audit(In Rs:)	Total(In Rs:)	Expenditure during the Year under Audit(In Rs:)	Closing Balance as per Audit (DD MM YYYY)	Closing Balance(In Rs:)(AUDIT)	Closing Balance as per (DD MM YYYY) Cash Book	Closing Balance(In Rs:)(CASH BOOK)	Difference (In Rs:)	Remarks
1	All	01-04-2016	1751915 94.00	13876016 4.00	31395175 8.00	11382704 4.00	31-03-2017	2001247 14.00	31-03-2017	2001247 14.37	-0.37	Subsidiary=171816.00 OAP=52900.00 PA=135.00 Accountant Cash book - 199899863.37
	<b>GRAND TOTAL</b>		<b>1751915 94.00</b>	<b>13876016 4.00</b>	<b>31395175 8.00</b>	<b>11382704 4.00</b>		<b>2001247 14.00</b>		<b>2001247 14.37</b>	<b>-0.37</b>	

**Comments**

Para 4.1

Details of C.B.

Sl.	No.	Description	As per Audit	As per Cash Book	Remarks
1		Cash	224851.00	224851.00	Subsidiary=171816.00  OAP=52900.00  PA=135.00
2		Treasury	17063468.00	17063468.00	Accountant Cash book
3		Bank	180722084.37	180722084.37	Accountant Cash book
4		FDR	2114311.00	2114311.00	Accountant Cash book
		<b>Total</b>	<b>200124714.37</b>	<b>200124714.37</b>	All Cash Books

Para-4.2- Difference between the audit closing balance &amp; the Cash Book closing Balance – Nil

Para-4.3—Lack of coherence between estimated receipt &amp; actual receipt

As per Rule 156 of Odisha Budget Manual, the estimation of fixed revenue should be based upon the actual demand including arrear and the probabilities of their realization during the year. Odisha Budget Manual read with section-108(a) of the Odisha Municipal Act, 1950 stipulates that the estimate of income & expenditure should be reasonable & proper. Further, the said rule of the Odisha Budget Manual stipulates that the Budget estimates of the revenue & receipts should be based on the existing rates of taxes, duties and fees etc., and no increase or reduction in such case and no proposals for abandonment of revenue which have not been sanctioned by Government should be proposed in the estimates. On verification of the Budget estimates prepared by the Municipal Council, it is noticed that the same is not realistic. Receipt has been deviated (decreased) to 27% and expenditure to 61.25 % as per the information depicted in the table below.

	Expenditure
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Receipt					
As per Budget	Actual	Percentage of Variation	As per Budget	Actual	Percentage of Variation
190090366.00	138760164.00	27%	293764760.00	113827044.00	61.25%

As such, it is clear from the deviation shown in the above mentioned table that the Municipality has not taken appropriate & effective steps as per the rules quoted above while preparing the Budget estimates. Hence, proper care should be taken in preparation of same.

**Para-4.3.1-Presentation & sanction of Budget**

According to section 104 to 110 of OM Act 1950 & Rule 74 to 80 of OM Rules, 1953, the budget & the estimate of Jatni Municipal Council for the year 2016-17 has been submitted to H&UD Deptt. with council resolution dtd 11.03.2016 through the Collector, Khurda, to the Govt. in H&UD Deptt. for approval. The Budget estimate of the Municipality has been approved by the Govt. In H&UD Deptt. vide Letter No.-17685/dtd. 22.07.16.

**Para-4.3.2-Sinking Fund-**

In contravention to Section 111 of OM Act,1950, & Rule 20(d) of O.L.F.A Rules,1951, the municipality has not maintained a sinking fund for clear off the liability.

**Para-4.3.3-Parking of Municipal Fund in ineligible Banks-**

As instructed in the Letter No.-23301/F, dt.11.07.2013, 17 numbers of Public Sector Banks, 4 numbers of Private Sectors Banks and the Odisha Co-operative Bank are eligible to handle the business and the deposits of State Public Sector Undertakings and state level Autonomous Societies. The Municipality has been operating its Bank transactions in the Banks as prescribed by the Govt.

**Para-4.4- Non-maintenance of Flexi Accounts for parking of funds of centrally sponsored schemes.**

As per letter no.- 35425/F,dtd.12.10.2012, all Departments were asked to instruct the implementing agencies which are authorized to keep the Central share & 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. Centrally sponsored plan schemes implemented in this Municipality are 13th Finance Commission & IHSDP. The funds received under these two schemes are kept in the savings bank accounts since their implementation. Funds under 13th FC is kept in SB A/C No.31311363858, SBI, Jatni and funds under IHSDP is kept in SB A/C No. 909010032765431, Axis Bank, Jatni. As such, the above mentioned circular in force is deviated and the Municipality is deprived of gaining higher interest.

Hence, the local authority is advised to keep the above mentioned funds in Flexi Accounts & compliance reported to audit.

**Para 4.5**

(i) As per Rule-84 of OM Rules 1953,the Executive officer shall once at least in every week examine the cashier cash book together with the pass book so as to satisfy himself that all money received without delay already been submitted to the treasury without delay. But it was seen that the practice has not been followed by the Executive Officer.

(ii)Analysis of closing balance at the end of every month even at the closure of the financial year never been done during the period covered under audit, hence to have proper watch on unspent balance and their subsequent utilization.

(iii) A consolidated cash book was not maintained for the financial position of the ULB to ascertain financial position at a glance.

Para 4.6

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(ii) Analysis of closing balance at the end of every month even at the closure of the financial year never been done during the period covered under audit, hence to have proper watch on unspent balance and their subsequent utilization.

(iii) A consolidated cash book was not maintained for the financial position of the ULB to ascertain financial position at a glance. Prescribed separate fund, the Municipality shall maintain separate records and the following shall be observed :

(i) All books of accounts shall be maintained for each fund;

(ii) Separate bank accounts shall be maintained for each fund, and remittance shall be made to the relevant funds bank Account. In case any receipt or payment is recorded in another funds Bank Account, it shall be treated as an inter-fund transfer' and accounted accordingly. However, scrutiny of cash books/bank books of Jatni municipality revealed that scheme-wise cash books/bank books were not maintained during the period of audit, i.e., 2010-11 to 2016-17 in absence specific cash books, audit could not ascertain scheme-wise receipt, expenditure and closing balance of respective schemes

Non-preparation of financial statements;

As per the rule 100 of odisha Municipal (Accounting Rules) 2012 the Executive officer shall cause to prepare the financial statements for the preceding year in respect of the Accounts of the Municipality in the formats provided in Annexure-1 A and the Accountant shall be responsible for the preparation of Financial

statements consisting of balance sheet, Income and Expenditure Statement, statements of cash flows, Receipts and payments on cash basis, Notes to Accounts, and other Financial Performance Indicators. Audit found that no such statements were prepared by E.O. during the year 2016-17 for which the rule was not only violated but also true and fair picture of the financial transaction at a glance could not be ensured.

Para-4.7 Liquid Assets & Liabilities

Position of liquid Assets & Liabilities in respect of Jatni Municipality is furnished as below

Liabilities	Value(Rs.)	Assets	Value(Rs.)
Unspent balance of grants	191321481.50	Cash in hand/In treasury/In bank	201972005.37
Loans refundable	0	Advances recoverable	21668684.85
Unremitted Govt. dues (VAT, Cess, Royalty, IT etc.)	1437113.00	Outstanding taxes, rents and rates recoverable	11018442.00
Refundable deposits(SD/EMD)	2197945.00	Loans recoverable	0
Arrear Salary(5th Pay & 6th Pay)	10000000.00		
Unpaid salary & wages	2268013.00		
Unpaid energy bills	26535154.00		
Contributions payable(CPF/EPF)	968182.00		
<b>Total</b>		<b>Total</b>	<b>234659132.22</b>



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Liability over asset	68756.28		
Grand Total	234727888.50		

From the above table it could be ascertained that, the financial condition of the Municipality is not sound. The Municipal Council should take effective and sincere steps to increase income from the internal source.

**Non issue of miscellaneous receipts against cheques or BDs received from different funding agencies.**

As per rule -157, of OM Rules 1953 for all receipts including those received in form of cheques or BDs, acknowledgement is to be made by issuing receipts in Form no. XXXIV. Sometimes it is found that BDs/Cheques received are recorded in the BD register but no receipts are issued against them. It is very difficult to ascertain the deposit of all cheques or BDs into concerned bank accounts. Hence, steps should be taken to issue miscellaneous MRs against cheques / BDs received from funding agencies and compliance reported.

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

Jatni Municipality - 2016-2017

S/no	Name of the Bank	A/C No.	Closing Balance Date As on (dd/mm/yyyy)	Closing Balance in Pass Book(In Rs:) (A)	Closing Balance in Bank Date Cash Book (dd/mm/yyyy)	Closing Balance in Bank as mentioned in Cash Book(In Rs:) (B)	Difference(In Rs:)(A-B)	Remarks
1	All	-	31-03-2017	203645495.40	31-03-2017	180722084.37	22923411.03	
	<b>GRAND TOTAL</b>			<b>203645495.40</b>		<b>180722084.37</b>	<b>22923411.03</b>	

**Reconciliation**

Details of bank balance as per pass books as on 31.03.2017

	Scheme Name	A/c No	Bank Name	Balance as on 31.03.2017
1	PL a/C	8448	Sub-Treasury, Jatni	170,63,468.00
2	Current Account	1196180418	SBI, Jatni	25,76,739.50
3	IHSDP	100143020	PNB, Jatni	4,88,180.99
4	SSM	100130178	PNB, Jatni	1,33,257.00
5	Shoping Complex	10009122	PNB, Jatni	26,625.00
6	CRN/NFCR	100066855	PNB, Jatni	46,813.00
7	BSY	100058874	PNB, Jatni	0.00
8	SD	100080606	PNB, Jatni	13,76,823.99
9	MLA/MP LAD	2210000100065661	PNB, Jatni	4,60,523.00
10	PRR	100104207	PNB, Jatni	61,035.00
11	Water Bodies	2210000100185831	PNB, Jatni	6,30,095.00
12	LFS Pension	30467623680	SBI, Jatni	20,714.00
13	Non-LFS Pension	1196196734	SBI, Jatni	16,69,281.51
14	13TH FC	31311363858	SBI, Jatni	423,94,716.00
15	RDW	30539757523	SBI, Jatni	1,18,423.00
16	SJSRY	11196222961	SBI, Jatni	12,066.88
17	NRV	11196183179	SBI, Jatni	4,83,684.29
18	CC ROAD	32946068070	SBI, Jatni	35,18,913.00
19	STL	1002762	ANDHRA BANK	12,801.00
20	SINKING FUND	1009613	ANDHRA BANK	2,59,281.00
21	TFC	1009609	ANDHRA BANK	12,80,513.00
22	MTH	1878315584	CBI, Jatni	14,726.00
23	IHSDP	909010032765431	AXIS BANK	22,945.00
24	HSY	913010056548752	AXIS BANK	11,669.00
25	MISC	718010100000727	AXIS BANK	11,26,594.14

26	NSDP	1196180112	SBI,Jatni	0.00
27	IHSDP	46630100000412	BoB,Jatni	17,96,147.50
28	Devolution Fund	46630100000693	BoB,Jatni	286,69,146.25
29	ROB	24581450000029	Hdfc,Jatni	110,83,351.48
30	OAP	198501000038	ICICI,Jatni	235,01,987.19
31	Motor Vehicle	14262191017059	Obc,Jatni	54,317.00
32	Motor Vehicle	1112104000023001	Idbi,Jatni	34,354.00
33	Kalyan Mandap	198501000069	ICICI,Jatni	59,71,401.00
34	Own Fund	914020013314709	AXIS BANK	27,448.48
35	RD Grant	2210000100191434	PNB,Jatni	18,087.00
36	Octroi	46630100002760	BoB,Jatni	2,10,701.00
37	Road & Beidges	3673101005276	canara, Bank	105,17,108.00
38	TDS	914020030039461	AXIS BANK	9,23,383.00
39	Sbm	31850110013823	Uco,Bank	0.00
40	Oulm	31850110014448	Uco,Bank	23,941.20
41	MV TAX	50100139114509	Hdfc,Jatni	50,21,071.00
42	MV TAX	35661248328	SBI,Jatni	35,19,403.00
43	Incentive Grant	3673101005250	canara, Bank	3,23,585.00
44	EPF	50100133301100	Hdfc,Jatni	1,90,667.00
45	Honm/DA/SA	915010062114109	Axis Bank, Jatani	57,738.00
46	Park & Greenery	915010062114141	Axis Bank, Jatani	73,04,963.00
47	SBM	916010052920380	Axis Bank, Jatani	79,36,112.00
48	Pension arrear	50100165398050	HDFC,Jatni	58,83,962.00
49	Maint. of Capital asset	915010062114194	Axis Bank, Jatani	18,55,389.00
50		7053024475	Bank of Baroda	0.00
51	NRB	46630100003617	Bank of Baroda	11,97,656.00
52		198501000337	ICICI,Jatni	0.00
53		198501000321	ICICI,Jatni	117,47,587.00
54	Creation of capital asset	14262191031567	Obc,Jatni	19,66,101.00
			<b>GT</b>	<b>2036,45,495.40</b>

5.1

Balance as per P.L. a/c no 8448 as on 31.03.2017 = 17063468.00

Balance as per treasury pass book as on 31.03.17 = 17063468.00

Difference = 0

5.2

**Non reconciliation of bank pass books**

As per Rule 128 of Odisha Municipal Rules 1953 the cash book shall be balanced at the close of every month and signed by the Executive on 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 the balance shown in the pass

book of the municipality. Further as per rule 6 (6) of the odisha Municipal Accounting Rules, 2012 the actual balance periodically and at least once at the end of every month. Where books of accounts are maintained manually, the cash book and bank book may be maintained in the same register, with separate columns for cash and each bank account. Scrutiny of relevant records revealed that EO, Jatni Municipality never followed above rules during the period covered under audit. The Municipality Jatni had furnished as 54 nos. of bank accounts with the closing balance of Rs. 203645495.40 as on 31.03.2017. Whereas closing balance of Accountant cash book was Rs. 182569375.37 as on 31.03.2017. Thus there was discrepancy of Rs. 21076120.03 between bank account figures of cash book and pass book. Out of which audit worked out the reconciliation as follows:

- I) Balance as per cash book as on 31.03.2017 = 180722084.37
- II) Deduct: Amount debited from pass book but not shown in cash book = (-)433386.00
- (Para 14.)
- III) Add: Cheque issued during 2016-17 but encashed after 2016-17 = (+)3246362.00

A/C No.	Vr. No./Date	Cheque No.	Dt. of encashment	Amount
412/BOB	652/26.10.16	136	03.4.17	680.00
	1035/22.3.17	141	03.4.17	70680.00
	1028/16.3.17	138	11.4.17	9460.00
	981/03.3.17	410	25.4.17	8900.00
	1029/16.3.17	139	-	18060.00
	168/07.6.16	60	-	25000.00
418/SBI	1061/29.3.17	846260	03.4.17	13925.00
	1041/24.3.17	846242	03.4.17	88052.00
	1049/24.3.17	846250	03.4.17	147390.00
	1040/24.3.17	846241	03.4.17	86525.00
	1036/22.3.17	846239	04.4.17	1000.00
	1058/28.3.17	846257	11.4.17	54808.00
	1059/28.3.17	846258	11.4.17	45258.00
	1057/28.3.17	846256	11.4.17	8366.00
	1056/28.3.17	846255	11.4.17	668258.00
98050/HDFC	1052/28.03.17	0014	04.4.17	2000000.00
	<b>TOTAL</b>			<b>3246362.00</b>

- IV) Add: Amount unreconciled = (+)20110435.03
- V) Bank balance of all pass books as on 31.03.2017 =203645495.40

Inspite of issue of objection memo the local authority failed to produce the bank reconciliation statement. Till production of the unreconciled amount of Rs. 20110435.03 is kept under objection.



**PARA: 6 STOCK POSITION**

Jatni Municipality - 2016-2017

S/no	Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Remarks
1	Laptop	2	0	0	2.00	2	SRP 189 Vol-II
2	Vehicle	15	05	20	0.00	20	04 nos. of tractors, 01 no. JCB, purchase during 2016-17
3	Computer	08	0	0	8.00	08	
4	Scanner	02	0	02	0.00		
5	Printer	06	0	06	0.00	06	
6	Xerox machine	02	0	02	0.00	02	01 in good condition and another one is in not in useable condition
7	Steel Almirah	21	0	21	0.00	02	

**Comments**

Para-6.1

As per Rule 106 of OGFR an inventory of the dead stock should be maintained in all Govt. offices in form OGFR-6 showing the number received, the number disposed of (by transfer, sale, loss etc.) and the balance in hand for each of article. But the dead stock register was not mad available to audit inspite of issue of objection memo. The same need be maintained and shown to the next audit.

As per Rule 269 of OGFR physical verification of all stores should be made at least once in every year by the head of office or such other as may be specially authorised by him. But stores are not being verified by the Municipal Authority deviating the above mentioned Rule. Hence, the local authority is advised to take effective steps for conducting physical verification of all stores and compliance reported to audit.

**PARA: 7 INVESTMENT**

Jatni Municipality - 2016-2017

Sno	Opening Balance of Investment as on (DD MM YYYY)	Opening Balance(In Rs:)	Amount Encashed during the Year under Audit(In Rs:)	Total(In Rs:)	Amount Invested during the Year under Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Audit	Closing Balance Audit(In Rs:)	Closing Balance as per (DD MM YYYY) Investment Ledger	Closing Balance Investment Ledger(In Rs:)	Difference(In Rs:)	Remarks
1	01-04-2016	5024811.00	3410500.00	1614311.00	500000.00	31-03-2017	2114311.00	31-03-2017	2114311.00	0.00	
	<b>GRAND TOTAL</b>	<b>5024811.00</b>	<b>3410500.00</b>	<b>1614311.00</b>	<b>500000.00</b>		<b>2114311.00</b>		<b>2114311.00</b>	<b>0.00</b>	

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

Para-7.1-

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

Details of closing balance of investments in respect of Jatni Municipality for the year 2016-17

Sl. No.	FDR No.	Name of the bank	Date of investment	Amount of investment	Rate of interest	Date of maturity	Maturity value
01	11196357557	SBI, Jatani	17.5.15	1614311.00	8.0	17.5.22	2810555.00
02	06	WATCO	23.11.16	500000.00	-	-	-
			<b>Total</b>	<b>2114311.00</b>			

Para-7.2

Non reflection of TDRs in Cash book

The following TDRs are invested but not reflected in the Accountant cash book so also in the previous audit report. So these TDRs of Oriental Bank of commerce need to be reflected in the cash book at the earliest.

TDR No.	Name of bank	Date of Deposit	Amount of Deposit	Period	Rate of Interest	Maturity Date	Maturity Value
16073031001057	OBC, Jatani	27.1.17	3284.00	1 yr	7%	27.1.18	3520.00
16073031001040	OBC, Jatani	27.1.17	7197.00	1 yr	7%	27.1.18	7714.00
16073031001071	OBC, Jatani	27.1.17	12614.00	1 yr	7%	27.1.18	13520.00
16073031001064	OBC, Jatani	27.1.17	12481.00	1 yr	7%	27.1.18	13378.00

Para 7.3 (POM -55)

Investment in WATCO (Water Corporation of Odisha)

Scrutiny paid voucher no.-402/29.08.2016, it was noticed that, a sum of Rs. 5,00,000.00 was paid to WATCO towards purchase of 5000 nos. of equity shares @ 100/- each. The WATCO has issued certificate no.06 in favour of Jatani Municipality for 5000 nos. of shares (90001 – 95000) on 23.11.2016. But the investment period rate of interest maturity value etc. are not available in the certificate. The audit couldnot able to know the whether it is a fixed investment or share market price related. Scrutiny the WATCO file available to audit, as per the decision of the Council, in its meeting on 31.05.2016, vide resolution no.-08-PUC-58/C has resolved the payment to purchase share capital by the JMC. It was asked through objection memo the recent share price of above purchased equity shares. But local authority failed to submit the informations . The audit also suggests the local authority to watch the market price of the shares whether price is increased or decreased. Till the compliance from the local authority the amount of Rs. 500,000.00 is kept under objection.



**PARA: 8 ADVANCE**

Jatni Municipality - 2016-2017

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	01-04-2016	All	21420384.85	303000.00	21723384.85	54700.00	31-03-2017	21668684.85	31-03-2017	21668684.85	0.00	
	<b>GRAND TOTAL</b>		<b>21420384.85</b>	<b>303000.00</b>	<b>21723384.85</b>	<b>54700.00</b>		<b>21668684.85</b>		<b>21668684.85</b>	<b>0.00</b>	

**Comments :**

Para -8

**Advance treated as final expenditure in the cash book**

As per Rule-37 of Orissa Treasury Code-vol-1, advance given to official/firm/contractors/accredited agencies are not final expenditures and they should be written in red ink in the right hand side of the inner column of the cash book and should be noted in "Register of Advance" which should be periodically reviewed. This provision has been highlight by the H&UD department vide letter No. Audit(U)74/28808/HUD dtd.25.11.2009.

Scrutiny of cash books/bank books of Jatni Municipality for the year 2016-17 revealed that the advance made to various employees and others for various purpose was treated as final payment and booked as expenditure in the cash books. In contravention of the above rule, the details of the advance paid was not noted in red ink in the inner of column the cashbooks. Thus , many advances remained unadjusted for prolonged period due to lapses in non-following of the aforesaid rules.

**Year wise break up of outstanding advances**

Year	Amount
Upto 2010-11	14147277.85
2011-12	2887000.00
2012-13	2634760.00
2013-14	575350.00
2014-15	1089997.00
2015-16	50000.00
2016-17	284300.00
<b>Total</b>	<b>21668684.85</b>

As per Rule 136 to140 of Odisha Municipal Rules, 1953 an "Advance ledger is to be maintained in each ULB recording person wise separate accounts of such advances. Advance shlal be regularly & promptly adjusted & 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.

But no Advance ledger (Form No.-XVIII,Rule-136) & Outstanding Advance ledger(Form No.-XIX,Rule-140) are being maintained by the Municipal authority deviating the above mentioned "Rules" which is highly irregular. Hence, the same need be maintained & shown to next audit. All the advances paid have been booked as final expenditure & the above figure has been worked out basing on the facts & figures reflected in the Accountant Cash Book. Suitable steps may be taken towards recoupment of the outstanding advance amount & compliance reported to audit.

8.1

**Details of outstanding advances for the year 2016-17**

Sl. No.	Name of the advance holder with designation	Vr. No. & Date	Amount of advance outstanding	Purpose	Name of sanctioning authority
01	Ajay Ku. Sahoo, Jr. Asst	389/20.8.16	200000.00	Obj. of LSG Day	Smt. Lalita Kapoor, E.O.
02	Subhasish Pattnaik, Advocate	404/29.8.16	8000.00	Legal Charge	Smt. Lalita Kapoor, E.O.
03	Ajay Ku. Sahoo, Jr. Asst	418(a)/03.9.16	45000.00	Obj. of LSG Day	Smt. Lalita Kapoor, E.O.
04	Ajay Ku. Sahoo, Jr. Asst	454/15.9.16	1300.00 (20000.00 – 18700.00)	Immersion of Ganesh Puja	Smt. Lalita Kapoor, E.O.
05	Ajay Ku. Sahoo, Jr. Asst	505(a)/22.9.16	30000.00	Obj. of LSG Day	Smt. Lalita Kapoor, E.O.
		<b>Total</b>	<b>284300.00</b>		

8.2

**Details of outstanding advances adjusted during the year 2016-17**

Sl. No.	Name	Adv. Payment voucher no. & date	Particular	Amount	Adjustment vr.no. & date
01	Satyabrata Tripathy, Driver	487/28.8.12	Repair of Tractor	14000.00	86/05.5.16
02	Ramesh Ch. Das, Jr. Asst.	640/03.11.15	NFSA programme (Ration Card)	22000.00	388/20.8.16
03	Ajay Ku. Sahoo, Jr. Asst.	454/15.9.16	Immersion of Ganesh Puja	18700.00	647/22.10.16
			<b>Total</b>	<b>54700.00</b>	

8.3

**Advance outstanding for more than 01 year**

On verification of the year wise break up of outstanding advance position in respect of Jatni Municipality, it is noticed that advance amounting to Rs. 50,000.00 relating to the year 2015-16 was outstanding for adjustment at the end of financial year 2016-17. The details of advance outstanding for the year 2015-16 (more than 01 year) is furnished below :

Sl. No.	Name with designation	Vr. No./Date	Purpose	Amount	Sanctioning Authority
01	Jaya Krushna Das, DLR	199/22.6.15	Medical Treatment	10000.00(adjusted Rs. 9954.00 from salary bill of March 2017 and April 2017 @ 4977.00 p.m and cash deposited Rs. 46.00 vide MR No-8073, Dt-10.5.2018)	Smt. Lalita Kapoor, E.O.
02	Sri S.K. Pradhan, Advocate	321/06.8.15	Court matter	40000.00	Smt. Lalita Kapoor, E.O.
			<b>Total</b>	<b>50000.00</b>	

8.4

**Surchargeable advance exceeding 01 year**

It is seen from the above mentioned table that advance amounting Rs. 50000.00 which was paid during the financial year 2015-16 & still remains outstanding during the financial year 2016-17. As required under Govt. Order No. 2221/F,XIV-AUD-II/2009,BBSR;Dtd. 8th March 2002, any advance paid and remained

outstanding for more than one year is to be treated as unsecured advance and a loss to the auditee institution and need to be recovered from the officer who granted the same and the payees squarely vide DLFA Order No.15179/DLFA/dt. 28.09.2013. Further, in the above said circular, it is mentioned that in case the

detailed information regarding the advance holder & the amount of advance paid is not provided by the auditee institution, the officer/personnel responsible for payment of the advance for the relevant periods should be recommended for surcharge action for the total amount of advance outstanding & will be initiated against them accordingly. It would be seen from the figure furnished below that an amount of Rs. 40000.00, in respect of Jatani Municipality, paid as advance during the year 2015-16 is treated as a loss to the institution and suggested for recovery from the persons responsible i.e the advance holder as per para 8.3 and the

sanctioning authority Smt Lalita Kapoor, E.O

(As advance outstanding against Sri Jaya Krushna Das, is adjusted during the 2017-18 the same is not suggested for recovery) .

Sl. No.	Name with designation	Address	Amount	Remark
01	Smt. Lalita Kapoor, E.O.	Jatani Municipality, Jatani	40000.00	
		Total	40000.00	

**Responsible Person for this paragraph**

Sino	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	40000

PARA: 9 GRANTS

Jatni Municipality - 2016-2017

S/no	Grants Outstanding as on (DD MM YYYY)	Grants Outstanding (In Rs:)	Grants Received during the Year under Audit(In Rs:)	Total(In Rs:)	Grants Spent during the Year under Audit(In Rs:)	Grants unspent as on (DD MM YYYY)	Grants unspent (In Rs:)	Remarks
1	01-04-2016	169241924.50	117913000.00	287154924.50	95833443.00	31-03-2017	191321481.50	
	<b>GRAND TOTAL</b>	<b>169241924.50</b>	<b>117913000.00</b>	<b>287154924.50</b>	<b>95833443.00</b>		<b>191321481.50</b>	

**Comments :**

Details of head wise receipt and expenditure of Grant for the year 2016-17 is furnished below:

SI No	Name of the scheme	O.B as on 01.04.2016	Received during the year 2016-17	Total available fund	Expenditure during 2016-17	C.B as on 31.03.2017
1	Road Dev.Grant.	12593211	0.00	12593211.00	3336534.00	9256677.00
2	Road Maintanance(N)	964848	0.00	964848.00	0.00	964848.00
3	Road & Bridges(Hard Case)	7630524	0.00	7630524.00	0.00	7630524.00
4	Road & Bridges(General)	7398562	3032000.00	10430562.00	0.00	10430562.00
5	SJSRY	-2783696.5	0.00	-2783696.50	0.00	-2783696.50
6	MPLAD/MLALAD	231226	0.00	231226.00	0.00	231226.00
7	Non-Residential Building	1160185	474000.00	1634185.00	0.00	1634185.00
8	Boundary Wall	500000	0.00	500000.00	0.00	500000.00
9	Public Toilet	306000	0.00	306000.00	0.00	306000.00
10	Accounts Reforms	80000	0.00	80000.00	0.00	80000.00
11	Census Operation	562160	0.00	562160.00	0.00	562160.00
12	Entry Tax	46000	0.00	46000.00	0.00	46000.00
13	Octroi Compensation	2594820	42063000.00	44657820.00	40126599.00	4531221.00
14	Incentive	3958545	0.00	3958545.00	0.00	3958545.00
15	OAP/ODP/MBPY	6109395	15111200.00	21220595.00	12622100.00	8598495.00
16	EIUS	9214	0.00	9214.00	0.00	9214.00
17	Shop room toTSC	-100735	0.00	-100735.00	0.00	-100735.00
18	10th FC	2553405	0.00	2553405.00	0.00	2553405.00
19	Election	799805	0.00	799805.00	0.00	799805.00

20	JAMBABA	131000	0.00	131000.00	0.00	131000.00
21	United Fund	-5500	0.00	-5500.00	0.00	-5500.00
22	BSY	9397	0.00	9397.00	0.00	9397.00
23	Construction of Bus Stop	107634	0.00	107634.00	0.00	107634.00
24	FCR/NFCR/SRC	152108	0.00	152108.00	0.00	152108.00
25	NSDP	-723098	0.00	-723098.00	0.00	-723098.00
26	11 th FC	10420	0.00	10420.00	0.00	10420.00
27	Mushroom Training	41000	0.00	41000.00	0.00	41000.00
28	VAMBAY	1000	0.00	1000.00	0.00	1000.00
29	IHSDP	11307719	0.00	11307719.00	6648323.00	4659396.00
30	UBS	411000	0.00	411000.00	0.00	411000.00
31	Dev. Of Park & Greenery	7290000	0.00	7290000.00	0.00	7290000.00
32	Local Festival Grant	350000	0.00	350000.00	0.00	350000.00
33	Matching Contribution	104000	0.00	104000.00	0.00	104000.00
34	Water Bodies	4330141	0.00	4330141.00	1784534.00	2545607.00
35	Various Dev. Grant	812000	0.00	812000.00	0.00	812000.00
36	MV Tax	10039329	4130000.00	14169329.00	1268059.00	12901270.00
37	Street Light Maint.	-297274	0.00	-297274.00	0.00	-297274.00
38	Slum house Survey	23085	0.00	23085.00	0.00	23085.00
39	13th FC(Incl. SWM)	12894481	0.00	12894481.00	0.00	12894481.00
40	Devolution of fund	19794813	15449000.00	35243813.00	6093684.00	29150129.00
41	Devolution of fund of Capital Nature	4299166	0.00	4299166.00	0.00	4299166.00
42	OULM	2877000	0.00	2877000.00	2877000.00	0.00
43	Construction of CC Road	2433831	0.00	2433831.00	0.00	2433831.00
44	Incentive for Urban Services	149000	0.00	149000.00	0.00	149000.00
45	Harichandra Sahayat Yojana	201000	0.00	201000.00	208000.00	-7000.00
46	Capacity Dev.(Salary of Cont.Mis	278540	0.00	278540.00	0.00	278540.00
47	Manual Scavenger Grant	15000	0.00	15000.00	0.00	15000.00

48	ARREAR PENSION	5131000	13027000.00	18158000.00	4961220.00	13196780.00
49	Non-Lfs Pension	1000000	0.00	1000000.00	0.00	1000000.00
50	14th FC	16429000	21706000.00	38135000.00	12812714.00	25322286.00
51	Honararium	945	85800.00	86745.00	37800.00	48945.00
52	Capital Assest	1920000	1920000.00	3840000.00	0.00	3840000.00
53	Maintanance of capital Assest	915000	915000.00	1830000.00	0.00	1830000.00
54	performance grant	1774000	0.00	1774000.00	0.00	1774000.00
55	ROB	9929931	0.00	9929931.00	300000.00	9629931.00
56	SBM	10491788	0.00	10491788.00	2756876.00	7734912.00
	<b>Total</b>	<b>169241924.5</b>	<b>117913000.00</b>	<b>287154924.50</b>	<b>95833443.00</b>	<b>191321481.50</b>

9.2

**YEAR WISE BREAK UP OF UNSPENT GRANT**

The Grant register is maintained in haphazard manner. The Local authority was failed to produce the year wise and scheme wise breakup of outstanding grants as on 31.3.2017 inspite of issue of POM However, basing on the records & registers available and previous audit report year wise break up of unspent grant is worked out and the same is furnished below-

Year	Amount
Upto 2013-14	60793897.50
2014-15	17493243.00
2015-16	61194064.00
2016-17	51840277.00
<b>Total</b>	<b>191321481.50</b>

Para-9.3

**COMMENTS ON UNSPENT GRANTS**

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

grants amounting to Rs. 191321481.50 has been remained unspent till 31.03.2017. Hence, it is suggested to take necessary steps for obtaining fresh sanction from the competent authority & early utilization or refund the same to proper quarter and compliance reported.

As per Rule 171(5)(i) of the O.G.F.R, the grantee institution should maintain a Register in Form No.{O.G.F.R. 30-A} of the permanent and semi-permanent assets

acquired wholly or substantially out of the Government Grants. The register should be maintained by the grantee institutions separately in respect of each sanctioning authority and a copy thereof furnished to the sanctioning authority annually. But the same is not being followed by the Municipal Authority deviating the above mentioned Rule in force. Hence, the local authority is advised to maintain separate register in respect of each sanctioning authority & compliance reported to audit.

PARA no.9.4

Expenditure incurred out of previous year grants.

During the year under audit expenditure was incurred out of previous year grants without obtaining fresh sanction from the sanctioning authority. So till obtaining ex post facto approval from competent authority Rs. 17911267.00 is kept under objection.

Head of account	Expenditure incurred
R.D.	3336534.00
IHHDP	6648323.00
Water Bodies	1784534.00
O.U.L.M.	2877000.00
Harischandra	208000.00
ROB	300000.00
SBM	2756876.00
<b>Total</b>	<b>17911267.00</b>

**PARA: 10 UTILISATION CERTIFICATE**

Jatni Municipality - 2016-2017

S/no	U.C Outstanding as on (DD MM YYYY)	U.C Outstanding(In Rs:)	U.C due for submission during the period under Audit(In Rs:)	Total(In Rs:)	U.C Submitted during the period under Audit(In Rs:)	U.C needs to be submitted as on outstanding as on (DD MM YYYY)	U.C needs to be submitted as on outstanding (In Rs:)	Remarks
1	01-04-2016	335644422.00	95833443.00	431477865.00	50792720.00	31-03-2017	380685145.00	
	<b>GRAND TOTAL</b>	<b>335644422.00</b>	<b>95833443.00</b>	<b>431477865.00</b>	<b>50792720.00</b>		<b>380685145.00</b>	

**Comments :**

Para -10

**DETAILS OF UC SUBMITTED DURING THE YEAR 2016-17**

Sl. No.	Name of the scheme	Year of grant	Amount	Details of submission	To whom submitted
01	In lieu of Octroi	2015-16	18075000.00	2785/28.10.16	PD,DRDA-cum-PD, DUDA , Khordha
02	In lieu of Octroi	2016-17	21032000.00	2785/28.10.16	PD,DRDA-cum-PD, DUDA , Khordha
03	Roads & bridges (N)	2013-14	834242.00	2787/28.10.16	PD,DRDA-cum-PD, DUDA , Khordha
04	Devolution Fund	2014-15	5032800.00	2781/28.10.16	PD,DRDA-cum-PD, DUDA , Khordha
05	Maint. of roads and bridges (13th FC)	2013-14	857458.00	2783/28.10.16	PD,DRDA-cum-PD, DUDA , Khordha
06	Arrear Pension	2015-16	4961220.00	2784/28.10.16	PD,DRDA-cum-PD, DUDA , Khordha
		<b>Total</b>	<b>50792720.00</b>		

10.1

**Year wise break up of pending U.C.**

Year	Amount
Upto 2012-13	175395930.00
2013-14	43345544.00
2014-15	27522377.00
2015-16	59619851.00
2016-17	74801443.00
<b>Total</b>	<b>380685145.00</b>

As per Rule 170 & 171 of OGFR Volume-I, grants received should be utilized within the same Financial Year in which it was received and UCs should be submitted by 30th June of the subsequent year to the Funding Authority as well as to the Principal Accountant General (A&E), Odisha. But the above rule is not being followed

by the Municipal Authority. Hence, the position of the pending UC is very alarming. However, the Executive officer of the Municipality is requested to take special drive to clear up the pending UCs & compliance reported.





**PARA: 11 MISAPPROPRIATION & DEFALCATION**

<b>11.1 - Less/non credit of collected amount in DCR POM-66</b>
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**Less/non credit of collected amount in DCR**

On checking of the following Service Tax collection receipts w.r.t. DCR and cashier's cash book it was seen that, less amount was taken to DCR as well as Cashier's cash book, than the actual collected amount. The details are furnished below:

Book No.	M.R No./Date	Amount collected	Amount taken to DCR/Cashire's cash book	Amount less/not taken to DCR	Name of the collector
28	2756/28.12.17	654.00	644.00	10.00	Bharati Bhusan Mishra
28	2773-2800	4566.00	3566.00	1000.00	-do-
38	3717/04.01.18	183.00	153.00	30.00	-do-
38	3741-3775	15267.00	14127.00	1140.00	-do-
64	6377-6390	3220.00	3082.00	138.00	-do-
<b>TOTAL</b>		<b>23890.00</b>	<b>21572.00</b>	<b>2318.00</b>	

Hence, the local authority may stated to audit that why the amount of Rs. 2318.00 will not be recovered from the concerned person and compliance reported to audit.

During Exit conference Rs.2318.00 recovered from Sri. Bharati Bhusan Mishra vide MR.No.8078/16.5.2018 and credited to cashiers cash book on the same day.

**11.2 - Less/non credit of collected amount in DCR due to calculation mistake**

On checking of the following Holding Tax collection receipts w.r.t. DCR and cashier's cash book it was seen that, less amount was taken to DCR as well as Cashier's cash book, than the actual collected amount due to calculation mistake/oversight . The details are furnished below:

M.R No./Date	Amount collected	Amount taken to DCR/Cashire's cash book	Amount less/not taken to DCR	Name of the collector
19728-19730	2200.00	2180.00	20.00	Sukanta Nayak
20174-20179	3467.00	3447.00	20.00	-do-
<b>Total</b>	<b>5667.00</b>	<b>5627.00</b>	<b>40.00</b>	
20651	19074.00	18783.00	291.00	Jayanti Satapathy

<b>Total</b>	<b>19074.00</b>	<b>18783.00</b>	<b>291.00</b>	
20867-20890	6931.00	6913.00	18.00	Debabrata Mishra
<b>Total</b>	<b>6931.00</b>	<b>6913.00</b>	<b>18.00</b>	
<b>Grand Total</b>	<b>31672.00</b>	<b>31323.00</b>	<b>349.00</b>	

Hence, the local authority may stated to audit that why the amount of Rs. 349.00 will not be recovered from the concerned persons and compliance reported to audit.

On issue of audit objection memo, the local authority recovered the amount of Rs. 349.00 from the concerned employees. The details are as follows:

Sl. No.	Amount	MR No./Date	From whom recovered
1	40.00	8006/27.04.18	Sukanta Nayak, T.C.
2	291.00	8004/27.04.18	Jayanti Satapathy, T.C.
3	18.00	8005/27.04.18	Debabrata Mishra, T.C.

Hence, the para is dropped herewith.

**11.3 - Less/non credit of collected amount in DCR**

**Less/non credit of collected amount in DCR**

On checking of the following User's fees collection receipts u/s-388(10)(b) w.r.t. DCR and cashiers cash book it was seen that, less amount was taken to DCR as well as Cashiers cash book, than the actual collected amount . The details are furnished below:

M.R No./Date	Amount collected	Amount taken to DCR/Cashier's cash book	Amount less/not taken to DCR	Name of the collector	DCR Pg no.
7483-7500, 7601-7619, 64361-64387, 95572-95600, 96001-96011	3460.00	3160.00	300.00	R.K. Mardaraj	84/14.03.17
8454-8456, 67290-67300, 97930-97942, 19090-19100	850.00	790.00	60.00	-do-	93/29.04.17
8862-8876, 68158-68162, 98539-98554	1220.00	1120.00	100.00	-do-	96/16.05.17
5401-5406, 61211-61222, 91650-91665	980.00	920.00	60.00	-do-	62/01.12.16

5611-5616	300.00	250.00	50.00	-do-	66/19.12.16
5635-5636	100.00	0	100.00	-do-	68,69
11126-11136	550.00	500.00	50.00	-do-	112/18.7.17
95795	20.00	0	20.00	-do-	81/25.2.17
100188-100200	260.00	0	260.00	-do-	107/01.7.17
16493-16500	80.00	0	80.00	-do-	80/22.2.17
24616	10.00	0	10.00	-do-	120/6.11.17
<b>Total</b>	<b>7830.00</b>	<b>6740.00</b>	<b>1090.00</b>		

65121-65142	660.00	640.00	20.00	B.K. Guru	14/09.03.17
68901-68921	630.00	620.00	10.00	-do-	26/29.05.17
13204-13241	1900.00	1800.00	100.00	-do-	38/03.10.17
17776-17800	250.00	150.00	100.00	-do-	12/31.1.17
62783-62800	540.00	510.00	30.00	-do-	12/31.1.17
66556-66565	300.00	240.00	60.00	-do-	20/12.4.17
<b>Total</b>	<b>4280.00</b>	<b>3960.00</b>	<b>320.00</b>		

14701-14703, 73524-73536	830.00	230.00	600.00	Mamata Mishra	44/04.12.17
105119-105130, 25315-25319					
<b>Total</b>	<b>830.00</b>	<b>230.00</b>	<b>600.00</b>		

70101-70109	270.00	210.00	60.00	Satyabadi Srichandan	18/10.07.17
64921-64923	90.00	60.00	30.00	-do-	81/15.3.17
69021-69069	1470.00	1170.00	300.00	-do-	14/16.06.17
96337-96357	420.00	220.00	200.00	-do-	01/05.4.17
<b>Total</b>	<b>2250.00</b>	<b>1660.00</b>	<b>590.00</b>		

91833-91837, 61508-61512, 5227-5231	500.00	400.00	100.00	N.K. Palei	60/07.12.16
<b>Total</b>	<b>500.00</b>	<b>400.00</b>	<b>100.00</b>		

101816-101817	40.00	0	40.00	Jay krushna Das	4/21.8.17
23315	10.00	0	10.00	-do-	4/22.8.17
<b>Total</b>	<b>50.00</b>	<b>0</b>	<b>50.00</b>		

12173-12182,71766-71776	1730.00	1100.00	630.00	Surya Mohan Das	12
102501-102542,23777-23782					
13172-13197,72525-72528	1900.00	900.00	1000.00	-do-	19

103358-103378,24361-24366					
101763-101772	200.00	180.00	20.00	-do-	4
101786-101800	300.00	280.00	20.00	-do-	9
102560-102596	740.00	720.00	20.00	-do-	12
22279-22300	220.00	0	220.00	-do-	17.8.17(issue date)
<b>Total</b>	<b>5090.00</b>	<b>3180.00</b>	<b>1910.00</b>		
92756-92768	260.00	0	260.00	Bidhu Bhusan Mishra	34/5.1.17
<b>Total</b>	<b>260.00</b>	<b>0</b>	<b>260.00</b>		
20655-20678, 97378-97397,67029-67044,8521-8539	2070.00	1970.00	100.00	B.K. Barik	15/22.4.17
21316-21353, 97793-97800, 67901-67937, 8568-8592, 98101-98149	3880.00	3800.00	80.00	-do-	17/08.5.17
11677-11700, 101355-101359	1500.00	1400.00	100.00	-do-	35
23836-23840, 70867-70871					
104513-104539, 24863-24867, 73024-73050, 14181-14194	2100.00	2000.00	100.00	-do-	46/13.11.17
<b>Total</b>	<b>9550.00</b>	<b>9170.00</b>	<b>380.00</b>	<b>Total</b>	<b>9550.00</b>
<b>Grand Total</b>	<b>30640.00</b>	<b>25340.00</b>	<b>5300.00</b>		<b>Grand Total</b>

Hence, the local authority may stated to audit that why the amount of Rs. 5300.00 will not be recovered from the concerned persons and the compliance reported.

On issue of audit objection memo, the local authority recovered Rs. 5200.00 out of Rs. 5300.00 as detailed below:

Sl. No.	Amount	MR No./Date	From whom recovered
1	1090.00	8016/27.4.18	Rohini Kanta Mardaraj
2	320.00	8008/27.4.18	Bijay Ku. Guru
3	600.00	8026/28.4.18	Mamata Mayee Mishra
4	590.00	8007/28.4.18	Satyabadi Srichandan
5	50.00	8011/27.4.18	Jaya Krushna Das
6	1910.00	8017/27.4.18	Surya Mohan Das
7	260.00	8013/27.4.18	Bidhu Bhusan Mishra
8	380.00	8014/27.4.18	Bijay Ku. Barik
<b>TOTAL</b>	<b>5200.00</b>		

The remaining Rs. 100.00 may be recovered from Sri N.K. Palei, T.C. and compliance reported. For the loss of Rs. 100.00 the following persons are held responsible.

However During Exit conference Rs.100.00 recovered from Sri. N.K.Palai vide MR.No.8079/16.5.2018 and credited to cashiers cash book on the same day.

**11.4 -**

**Less/non credit of collected amount in DCR**

On checking of the money receipts w.r.t. DCR and cashier's cash book it was seen that, less amount has taken to DCR as well as Cashier's cash book, than the actual collected amount . The details are furnished below:

M.R No./Date	u/s	Amount collected	Amount taken to DCR/Cashier's cash book	Amount less/not taken to DCR/Cash Book	Name of the collector	DCR Pg no.
4267-4300	Hoarding	31260.00	30260.00	1000.00	R.K. Mardaraj	30
4751-4771	388(10)	4200.00	2800.00	1400.00	-do-	21,22
	<b>Total</b>	<b>35460.00</b>	<b>33060.00</b>	<b>2400.00</b>		
4993	290	300.00	0	300.00	Pravat Ranjan Barik	16.10.17
5436-5452	290	14700.00	14200.00	500.00	-do-	7.12.17
	<b>Total</b>	<b>15000.00</b>	<b>14200.00</b>	<b>800.00</b>		
3433	290	1000.00	0	1000.00	Ajay Ku. Sahoo	7/01.5.17
	<b>Total</b>	<b>1000.00</b>	<b>0</b>	<b>1000.00</b>		

18372	157	20.00	0	20.00	Siba Prasad Mohapatra	13.8..17
18373	157	100.00	0	100.00	-do-	13.8.17
	<b>Total</b>	<b>120.00</b>	<b>0</b>	<b>120.00</b>		
	<b>Grand Total</b>	<b>51580.00</b>	<b>47260.00</b>	<b>4320.00</b>		

Hence, the local authority stated to audit why the amount of Rs. 4320.00 will not be recovered from the concerned persons and the compliance may be reported.

On issue of objection memo the local authority recovered the amount of Rs. 4320.00 from the persons concerned. The details are as follows:

Sl. No.	Amount	MR No./Date	From whom recovered
1	2400.00	8016/27.4.18	Rohini Kanta Mardaraj
2	800.00	19.4.18	Pravat Ranjan Barik
3	1000.00	8009/27.4.18	Ajay Ku. Sahoo
4	120.00	8020/27.4.18	Siba Prasad Mohapatra
<b>TOTAL</b>	<b>4320.00</b>		

Hence, the objection is dropped

**11.5 - Less/non credit of collected amount in DCR**

On checking of the money receipts w.r.t. DCR and cashier's cash book u/s 307, it was seen that, less amount has taken to DCR as well as Cashier's cash book, than the actual collected amount. The details are furnished below:

M.R No./Date	Amount collected	Amount taken to DCR/Cashier's cash book	Amount less/not taken to DCR/Cash Book	Name of the collector	DCR Pg no.
54910	3.00	2.00	1.00	R.K. Mardraj	34
54916	5.00	2.00	3.00	-do-	34
54921	5.00	2.00	3.00	-do-	34
54922	10.00	5.00	5.00	-do-	34
54943	3.00	2.00	1.00	-do-	35
54944	3.00	2.00	1.00	-do-	35
54945	3.00	2.00	1.00	-do-	35
54948	3.00	2.00	1.00	-do-	35
54955	5.00	2.00	3.00	-do-	35
54958	3.00	2.00	1.00	-do-	35
54963	3.00	2.00	1.00	-do-	35
51412	200.00	2.00	198.00	-do-	37

51427	5.00	3.00	2.00	-do-	37
51449	5.00	3.00	2.00	-do-	37
51452	5.00	3.00	2.00	-do-	38
<b>M.R No./Date</b>	<b>Amount collected</b>	<b>Amount taken to DCR/Cashier's cash book</b>	<b>Amount less/not taken to DCR/Cash Book</b>	<b>Name of the collector</b>	<b>DCR Pg no.</b>
51473	5.00	3.00	2.00	R.K. Mardraj	38
51476	20.00	2.00	18.00	-do-	38
51489	3.00	2.00	1.00	-do-	38
55711	3.00	2.00	1.00	-do-	36
55748	3.00	2.00	1.00	-do-	36
55772	3.00	2.00	1.00	-do-	37
55776	3.00	2.00	1.00	-do-	37
56185	20.00	2.00	18.00	-do-	41
<b>TOTAL</b>	<b>321.00</b>	<b>53.00</b>	<b>268.00</b>		
55805	5.00	3.00	2.00	D.K. Mohanty	61
55822	3.00	0	3.00	-do-	62
55826	3.00	0	3.00	-do-	62
<b>TOTAL</b>	<b>11.00</b>	<b>3.00</b>	<b>8.00</b>		
55257	5.00	0	5.00	D.D. Badajena	3
<b>TOTAL</b>	<b>5.00</b>	<b>0</b>	<b>5.00</b>		
57657-57680	120.00	95.00	25.00	B.K. Guru	7
<b>TOTAL</b>	<b>120.00</b>	<b>95.00</b>	<b>25.00</b>		
<b>Grand Total</b>	<b>457.00</b>	<b>151.00</b>	<b>306.00</b>		

Hence, the local authority stated to audit why the amount of Rs. 306.00 will not be recovered from the concerned persons and the compliance may be reported.

On issue of audit objection memo, the local authority recovered the amount of Rs. 306.00 from the persons concerned. The details as follows:

Sl. No.	Amount	MR No./Date	From whom recovered
1	268.00	8016/27.4.18	Rohini Kanta Mardaraj
2	8.00	8018/27.4.18	D.K. Mohanty
3	5.00	8019/27.4.18	D.D. Badajena



4	25.00	8008/27.4.18	B.K. Guru
<b>TOTAL</b>	<b>306.00</b>		

Hence, the objection is dropped.

**11.6 - Less/non credit of collected amount in DCR**

On checking the MRs w.r.t. DCR it was noticed that, a total sum of Rs. 9660.00 has been collected vide following user receipts u/s -388(10)(b) not taken to DCR as well as cashiers cash book. The details are furnished below:

M.R No.	Amount	Name of the collector
25830-25900	710.00	Bijay Ku. Barik
107320-107400	1620.00	-do-
74796-74800	150.00	-do-
15986-16000	750.00	-do-
<b>TOTAL</b>	<b>3230.00</b>	
11986-11987	100.00	R.K. Mardraj
70635-70636	60.00	-do-
24630-24646	170.00	-do-
<b>TOTAL</b>	<b>330.00</b>	
105401-105500	2000.00	Surya Mohan Das
101636-101700	560.00	-do-
71143-71200	540.00	-do-
71001-71100	3000.00	-do-
<b>TOTAL</b>	<b>6100.00</b>	
<b>Grand Total</b>	<b>9660.00</b>	

Hence, the local authority may stated to audit why the amount of Rs. 9660.00 will not be recovered from the concerned persons and the compliance reported.

On issue of audit objection memo, the local authority recovered the amount of Rs. 9660.00 from the persons concerned. The details as follows:

Sl. No.	Amount	MR No./Date	From whom recovered
1	3230.00	8014/27.4.18	Bijay Ku. Barik
2	330.00	8016/27.4.18	Rohini Kanta Mardaraj
3	6100.00	8017/27.4.18	Surya Mohan Das
<b>TOTAL</b>	<b>9660.00</b>		

The objection is dropped

**11.7 - Less/non credit of collected amount in DCR**

On checking of the money receipts w.r.t. DCR and cashier's cash book u/s 307, & 388(10), it was seen that, less amount has taken to DCR as well as Cashier's cash book, than the actual collected amount. The details are furnished below:

M.R No./Date	Amount collected	Amount taken to DCR/Cashier's cash book	Amount less/not taken to DCR/Cash Book	Name of the collector	DCR Pg no./Book No.
15538-15554	850.00	800.00	50.00	Nilu Behera	04.1.18
<b>Total</b>	<b>850.00</b>	<b>800.00</b>	<b>50.00</b>		
59501-59600	500.00	0	500.00	Jaya Krushna Das	596
59401-59500	500.00	0	500.00	-do-	595
61001-61020	100.0	0	100.00	-do-	611
<b>Total</b>	<b>1100.00</b>	<b>0</b>	<b>1100.00</b>		
<b>Grand Total</b>	<b>1950.00</b>	<b>800.00</b>	<b>1150.00</b>		

Hence, the local authority may stated to audit why the amount of Rs. 1150.00 will not be recovered from the concerned persons and the compliance reported.

On issue of audit objection memo, the local authority recovered the amount of Rs. 1150.00 from the concerned persons as detailed below:

Sl. No.	Amount	MR No./Date	From whom recovered
1	50.00	8012/27.4.18	Nilu Behera
2	1100.00	8015/27.4.18	Jaya Krushna Das
<b>TOTAL</b>	<b>1150.00</b>		

Hence, the objection is dropped.

**11.8 - Misappropriation by way of double payment POM-11**

Scrutiny paid voucher no.- 696/10.11.16 of Accountant cash book, w.r.t. acquittance roll of Chairperson and Vice chairperson, it was noticed that, a sum of Rs. 2700.00 (1500.00 + 1200.00) was paid to C.P. and V.C.P. towards their honorarium for the month of Oct. 2016. The payment was shown in subsidiary cash book, page no-174, Dt-25.11.16. Again a sum of Rs. 5400.00 (3000.00 + 2400.00) was shown paid

to C.P. and VCP vide voucher no.-802/21.12.2016 towards their honorarium for the month of Oct. 2016 and November 2016. The payment was also shown in subsidiary cash book page-198/26.12.2016 . Hence, it was concluded that, the honorarium for the month of October 2016 was shown payment twice resulting misappropriation of cash of Rs. 2700.00 which needs recovery from the person responsible.

In response to objection memo the local authority recovered Rs. 2700.00 vide MR No-8060/02.5.18 from Smt. Mamata Mayee Mishra, Cashier who disbursed the cash. Hence, the objection is dropped.

**11.9 -**

**Misappropriation by showing excess payment**

On checking paid voucher no. 381, Dt-20.08.2016 & 382/20.8.16 w.r.t. Accountants cash book and cashiers cash book, it was noticed that, a sum of Rs. 5153.00 (1813.00 + 3340.00 ) was paid in cash to A.O., Bhubaneswar towards telephone bill for the month of July 2016. But in cashers cash book a sum of Rs. 5596.00 (3468.00 + 2128.00 ) was shown paid to A.O. , BSNL , BBSR on 26.7.2016 which was rectified on 25.8.2016 by way of showing actual expenditure. But again the actual payment of Rs. 5153.00 was shown refunded in cash book instead of Rs. 5596.00 . As a result the final payment was made Rs. 5596.00 towards telephone bill for the month of July 2016. Hence, by way of showing excess payment than the actual a sum of Rs. 443.00 (5596.00 -5153.00) was misappropriated by the cashier needs recovery.

On issue of objection memo no-59 the local authority, recovered Rs.443.00 from Smt. Mamata mayee Mishra, Cashier vide MR No.-8027/28.04.2018.

Hence, the objection is dropped.

**11.10 -**

**Misappropriation of cash of Rs. 7000.00**

Scrutiny the deposits and withdrawals of SB A/c No.-718010100000727 of AXIS bank, Jatani Branch it was seen that, a sum of Rs. 7000.00 was withdrawn through self cheque no. 109134 on 20.1.17 . Against the cash withdrawal no payment was shown in the cash book. Again cash withdrawal was not reflected in cashiers cash book resulting misappropriation of cash of Rs. 7000.00, which needs recovery from the person responsible.

No reply was furnished by the local authority on issue of objection memo. Hence, the objection stands and the following persons are found responsible .

- |    |                                     |             |
|----|-------------------------------------|-------------|
| 1) | Smt. Lalita Kapoor, E.O.            | Rs. 3500.00 |
| 2) | Sri Pravat Ranjan Barik, Accountant | Rs. 3500.00 |

**11.10 -**

**Misappropriation of cash of Rs. 7000.00**

Scrutiny the deposits and withdrawals of SB A/c No.-718010100000727 of AXIS bank, Jatani Branch it was seen that, a sum of Rs. 7000.00 was withdrawn through self cheque no. 109134 on 20.1.17 . Against the cash withdrawal no payment was shown in the cash book. Again cash withdrawal was not reflected in cashiers cash book resulting misappropriation of cash of Rs. 7000.00, which needs recovery from the person responsible.

No reply was furnished by the local authority on issue of objection memo. Hence, the objection stands and the following persons are found responsible .

- 1) Smt. Lalita Kapoor, E.O. Rs. 3500.00
- 2) Sri Pravat Ranjan Barik, Accountant Rs. 3500.00

After exit conference the local authority vide Letter No.1039/18.5.2018 submitted the xerox copy of acq roll showing payment of Rs.7000.00 to 5 officials paid voucher no.563/4.10.2016.Till verification of the same with relevant records by next audit Rs.7000.00 is kept under objection.

**11.11 - Misappropriation of cash by way of showing excess payment in OAP & ODP**

Scrutiny the OAP/ODP/NOAP vouchers w.r.t. OAP subsidiary cash book and acquittance roll for the year 2016-17, it was noticed that a sum of Rs. 1700.00 was shown excess than the actual resulting misappropriation of cash. Details are furnished below:

Date of payment	Month	Particular	Amount shown paid	Amount due for payment	Excess shown	Disbursing officer	Details of recovery
05.10.16	09/16	ODP	22200.00	21200.00	1000.00	Bharati Bhusan Mishra	Recovered vide MR No.-8024/28.4.18
09.3.17	02/17	SOAP	57600.00	56900.00	700.00	Siba Prasad Mishra	Recovered vide MR No.-8023/28.4.18

Hence, the para is dropped

**11.12 -**

**Less/non credit of collected amount in DCR**

On checking of the following User's fees collection receipts u/s-388(30) w.r.t. DCR and cashier's cash book it was seen that, less amount was taken to DCR as well as Cashier's cash book, than the actual collected amount . The details are furnished below:

M.R. Book No.	M.R No./Date	Amount collected	Amount taken to DCR/Cashire's cash book	Amount less/not taken to DCR	Name of the collector	DCR Pg no.
32	3197	300.00	200.00	100.00	R.K. Mardaraj	16
44	4372	300.00	200.00	100.00	-do-	
43	4798	200.00	0	200.00	-do-	
41	4099	600.00	300.00	300.00	-do-	27
	<b>Total</b>	<b>1400.00</b>	<b>700.00</b>	<b>700.00</b>		

On issue of audit objection memo the local authority failed to produce the compliance. Hence, the amount of Rs. 700.00 is suggested for recovery from the following persons.

However During Exit conference Rs.700.00 recovered from Sri. R.K.Mardharaj vide MR.No.8077/16.5.2018 and credited to cashiers cash book on the same day.

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

<b>12.1 - Loss of stock &amp; store POM-61</b>																					
<p><b>Loss of 4ltrs of HSD</b></p> <p>Scrutiny log book of Tractor no. OR02V 2204, w.r.t. paid vouchers of HSD it was noticed that a total quantity of 4 ltr. Diesel was misutilised by way of calculation mistake as detailed below:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">O.B. of fuel as on 15.09.2016 –</td> <td style="width: 10%; text-align: center;">4</td> <td style="width: 30%;">ltrs</td> </tr> <tr> <td>Fuel recovered on 15.9.16 –</td> <td style="text-align: center;">30</td> <td>ltrs.</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>-</b></td> <td><b>34 ltrs.</b></td> </tr> <tr> <td colspan="3">Fuel consumed - 6 ltrs.</td> </tr> <tr> <td>Closing stock as per audit –</td> <td style="text-align: center;">28</td> <td>ltrs.</td> </tr> <tr> <td>Closing stock as per log book (Pg-84)–</td> <td style="text-align: center;">24</td> <td>ltrs.</td> </tr> <tr> <td><b>Loss –</b></td> <td style="text-align: center;"><b>4</b></td> <td><b>ltrs.</b></td> </tr> </table> <p>Hence, the cost of 4 ltrs. of diesel amounting to Rs. 230.00 @ 57.55 per ltr. needs recovery from the Sri Chitta ranjan Mohapatra, Driver and compliance reported.</p> <p>On issue of objection memo the local authority recovered the amount of Rs. 230.00 vide MR No.- 8059/02.5.18 and the para is dropped.</p>	O.B. of fuel as on 15.09.2016 –	4	ltrs	Fuel recovered on 15.9.16 –	30	ltrs.	<b>Total</b>	<b>-</b>	<b>34 ltrs.</b>	Fuel consumed - 6 ltrs.			Closing stock as per audit –	28	ltrs.	Closing stock as per log book (Pg-84)–	24	ltrs.	<b>Loss –</b>	<b>4</b>	<b>ltrs.</b>
O.B. of fuel as on 15.09.2016 –	4	ltrs																			
Fuel recovered on 15.9.16 –	30	ltrs.																			
<b>Total</b>	<b>-</b>	<b>34 ltrs.</b>																			
Fuel consumed - 6 ltrs.																					
Closing stock as per audit –	28	ltrs.																			
Closing stock as per log book (Pg-84)–	24	ltrs.																			
<b>Loss –</b>	<b>4</b>	<b>ltrs.</b>																			

**PARA: 13 AUDIT OF RECEIPTS**

<b>13.1 -</b>									
<b>Demand Collection Balance Position of Taxes for 2016-17</b>									
	Demand			Collection			Balance		
	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
Holding Tax	2967302.00	2015036.00	4982338.00	164732.00	1030240.00	1194972.00	2802570.00	984796.00	3787366.00
Light Tax	3039704.00	3000402.00	6040106.00	167496.00	1035893.00	1203389.00	2872208.00	1964509.00	4836717.00
Water	834835.00	817927.00	1652762.00	115875.00	416714.00	532589.00	718960.00	401213.00	1120173.00

Tax									
Service Tax	0	1548230.00	1548230.00	0	573570.00	573570.00	0	974660.00	974660.00
<b>Total</b>	<b>6841841.00</b>	<b>7381595.00</b>	<b>14223436.00</b>	<b>448103.00</b>	<b>3056417.00</b>	<b>3504520.00</b>	<b>6393738.00</b>	<b>4325178.00</b>	<b>10718916.00</b>

Reconciliation of DCB figure

Particular	Holding Tax	Light Tax	Water Tax	Service Tax	Total
Collection as per Accountant Cash Book	1190625.00	1199608.00	523401.00	534439.00	3448073.00
Less: Collection 2015-16	75601.00	76894.00	25201.00	0	177696.00
Add: Collection 2016-17	27536.00	27976.00	13189.00	0	68701.00
<b>Total</b>	<b>1142560.00</b>	<b>1150690.00</b>	<b>511389.00</b>	<b>534439.00</b>	<b>3339078.00</b>
Add: Rebate allowed in 2016-17	52412.00	52699.00	21200.00	39131.00	165442.00
<b>Position as per DCB</b>	<b>1194972.00</b>	<b>1203389.00</b>	<b>532589.00</b>	<b>573570.00</b>	<b>3504520.00</b>

Percentage of collection of holding tax in respect of Jatani Municipality for the year 2016-17

Particulars	Total Demand	Total collection including rebate	% of collection with that of demand
Holding Tax	4982338.00	1194972.00	24
Light Tax	6040106.00	1203389.00	20
Water Tax	1652762.00	532589.00	32.22
Service Tax	1548230.00	573570.00	37.05

From the above it is revealed that, the percentage of collection towards Holding Tax and Light Tax is very low and it reflects that, the Municipal authority have a poor sincerity towards collection. Hence, the local authority is advised to take sincere effective and special drive to collect the dues and enhance the revenue of the Municipality and compliance reported.

**Year-wise break-up of outstanding Tax**

The year wise break up of outstanding tax is not available in the office in-spice of objection memo issued. Basing on the last Audit Report for the year 2015-16 the year wise break up of outstanding tax is furnished below:

Up to 2015-16	Rs. 6393738.00
2016-17	Rs. 4325178.00
<b>Total</b>	<b>Rs. 10718916.00</b>

Limitation of recovery of dues

As per Section 346 of the Odisha Municipal Act, 1950, no distraint shall be made, no suit shall be instituted and no prosecution shall be

commenced in respect of any sum due to a Municipality under this Act, after the expiration of a period of three years from the date on which distraint might first have been commenced, as the case may be, in respect of such sum. On issue of objection, the local authority could not produce the Distraint Warrant Register (Rule-202, Form-P) & the Warrant Register(Rule-202,Form-R). As such, the position of the same could not be ascertained.

As per section 161 (1) of the Orissa Municipal Act, 1950 if the sum due on account of any tax is not paid within sixty one days from the date on which it became due, the Executive Officer shall 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 property belonging to the defaulter wherever found, or of any movable property belonging to any other person which may be found within the holding in respect of which such defaulter is liable to such tax. In spite of all these provision under Section 161 (1), 162,163,164,165 and 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 arrear as an arrear 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 sue the person liable to pay the same in any court competent jurisdiction. Further it was found that though the system penalty was there, yet there was no dictation of breach of tax rule as per Rule 553 of the O.M. rules 1953.

On scrutiny of the DCB register of individual holdings and information furnished to audit it was seen that, the Municipality had failed to take appropriate action under various sections of the Orissa Municipal Act, 1950. As a result, arrears to the tune of Rs. 10718916.00 remained uncollected from years together. Steps may be taken to collect above stated outstanding dues at the earliest.

**13.2 -**

**Non realization of Shop room rent under section 295**

**Demand Collection Balance Position of Taxes for 2016-17**

	Demand			Collection			Balance		
	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
Shop rent	296467.00	196740.00	493207.00	47616.00	146065.00	193681.00	248851.00	50675.00	299526.00

**Reconciliation**

- I) As per last Audit Report for the year 2015-16, the balance figure of shop room rent = Rs. 256434.00
- II) Add: Balance rent outstanding of 05 nos. of lease which were not included = Rs. 40033.00  
as on 31.03.2016

1- Surya Kanta Behera = Rs. 17372.00 (Shop no.-BS/7)

2-	Parimita Mishra	= Rs. 9803.00 (Shop no.-BS/8)
3-	Rabindra Sundaray	= Rs. 1596.00 (Shop no.-SF/4)
4-	Mukund Jena	= Rs. 4328.00 (Shop no. RS/1)
5-	Kabuli Mohanty	= Rs. 6934.00 (Office Canteen)
III)	Arrear Demand taken as on 01.4.16	= Rs. 296467.00

Shop rent 2016-17

Serial No	Shop No	Name of the Lease	Arrear Balance	Current Balance	Total Balance
1	3	Prahallad Behera	7107.00	0.00	7107.00
2	4	Manguli Pradhan	8753.00	0.00	8753.00
3	5	Manguli Pradhan	8753.00	0.00	8753.00
4	57	Atish kumar Dash	1040.00	0.00	1040.00
5	80	Alladin Sahoo	1560.00	0.00	1560.00
6	93	Bibhu prasad Padhi	2080.00	0.00	2080.00
7	97	Pawan kumar Tiwariwalla	1596.00	0.00	1596.00
8	98	Sanjeeb kumar Parida	0.00	674.00	674.00
9	100	Anil kumar Ray	3344.00	4584.00	7928.00
10	101	Laxmikanta Satapathy	7896.00	0.00	7896.00
11	102	Ullash chandra Jena	1910.00	0.00	1910.00
12	104	Trinath Kar	861.00	0.00	861.00
13	111	Satyabadi Pradhan	14644.00	4584.00	19228.00
14	113	Debaraj Champati	53563.00	4584.00	58147.00
15	116	Trupti Mohanty	16426.00	4584.00	21010.00
16	118	Khetrabasi Sahoo	36779.00	4584.00	41363.00
17	119	Balarama Samantaray	12752.00	4584.00	17336.00
18	122	Isack Khan	0.00	3820.00	3820.00



19	126	B.Durga prasad Ray Samanta	1280.00	6384.00	7664.00
20	142	Trinath Behera	4930.00	0.00	4930.00
21	143	Basnidhara Sethi	11110.00	0.00	11110.00
22	152	Jagabandhu Jena	13277.00	0.00	13277.00
23	TH/2	B. Rabindra kumar Ray	3653.00	3996.00	7649.00
24	TH/4	Bikram keshari Routray	0.00	828.00	828.00
25	BS/5	Shantilata Mohanty	0.00	1314.00	1314.00
26	<b>BS/7</b>	Suryakanta Behera	<b>17372.00</b>	<b>1752.00</b>	19124.00
27	BS/8	Parimita Mishra	9803	1752	11555.00
28	SF/4	Rabindra Sundaray	0	1199	1199.00
29	RS/1	Mukund Jena	1428	1452	2880.00
30	Office Canteen	Kabuli Mohanty	6934	0	6934.00
	<b>Total</b>		<b>248851.00</b>	<b>50675.00</b>	<b>299526.00</b>

As stated above Rs. 299526.00 was pending for realisation from the lease holder of shop room of the council. As per agreement the lease holder has to pay the rent within 7th of each month failing which council may take necessary steps as per clauses of the agreement. But no such action has been taken by the council. So the non realisation of rent is treated as loss of municipal fund. As arrear amount has already suggested as recovery current outstanding dues of Rs. 50,675.00 is suggested for recovery.

Following persons are found responsible for non realization of shop rent for the current year 2016-17

- 1) Smt. Lalita Kapoor, E.O. = Rs. 25338.00
- 2) Sri Pradipta Ku. Jena, Jr. Asst. = Rs. 25337.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	25338
2	Sri Pradipta Ku. Jena	Jr. Asst.	Jatani Municipality	25337

**13.3 -**

**Non revision of rate of License Fees**

On scrutiny the DCB register of shop room it was noticed that, the rent were collected in a very small amount. As per clause 8 of agreement renewal of the License Fees is to be made every year before the expiry of lease period. So prior to renewal the Municipal authority has to fix the criteria for the renewal of License Fees. No steps has been taken by the Council to hike the License Fees. As per previous

practice the minimum 10% hike has been made upto 2012-13. Then though 04 years has been passed there was no increase in rate of license fees and no renewal of shop lease was executed. Due to non hike @ 10% during 2016-17, the Council sustained a loss of Rs. 19674.00. On issue of objection memo, no reply has been furnished by the local authority. Necessary steps may be taken for reassessment of shop rent and renew the agreement to save the loss. For the above loss the following persons are held responsible.

- 1) Smt. Lalita Kapoor, E.O. – Rs. 9837.00
- 2) Sri Pradipta Ku. Jena, Jr. Asst. – Rs. 9837.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	9837
2	Sri Pradipta Ku. Jena	Jr. Asst.	Jatani Municipality	9837

**13.4 -**

**Non realization of Holding Tax or Service charges from railway.**

It is learnt from the last Audit Report(120606/AR/2015-2016,BBSR), that & quot. Vide letter no.-4(7)PF/1/Dtd.25.08.1997 of Govt. of India in the Ministry of Finance(Department of Co-ordination & Planning), the building of East Coast Railway, Khordha Road Division have been included in the Jatni Municipality area by UD Department w.e.f. 01.07.1975 & accordingly service charges have been charged. But, on verification of the holding tax collection receipts & other receipts, it is noticed that no such collection towards holding/service charges was realized from the Railway. Hence, the records/registers pertaining to the demand, collection & balance of Railway holding tax/service tax may be produced and reasons of non-collection of the same may be clarified to audit.

As such, the Municipality has sustained a loss towards the revenue to the tune of Rs Rs.4730824.00.00 till the end of the financial year 2016-17 as below including current demand of Rs. 364883.00 that have been fixed on the Railways on the basis of the valuation data sheet prepared by the Valuation Organization of Housing & Urban Development Department, Govt. of Odisha.

Details of assessment of service tax on Railway holding is as follows:

Amount up to 2015-16	Rs.. 4365941.00
Service charges due for the year 2016-17	Rs. 364883.00
<b>Total</b>	<b>Rs. 4730824.00</b>

Hence, the Municipal Authority is advised to take appropriate & early steps for finalization of the same & compliance reported to audit. Further, steps need be taken to produced all the records & registers pertaining to the Demand, Collection and Balance on the Railway holding tax/service charges to the next audit. Till then Rs. 364883.00(pertaining to the year 2016-17) is kept under objection.

**Non revision of rate chart for assessment of Holding Tax**

As per Section 146 of Odisha Municipal Act, 1950, new valuation & 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 ULB concerned shall, until the appointment of a Valuation Officer thereof, exercise the powers and performs the duties of the Valuation Officer in respect of the Municipality. On verification of the records/registers/files relating to valuation & assessment of Holding Tax, it is noticed that the last assessment of Holding Tax was conducted by the Valuation Officer of H&UD Department during the year 2004-05 and the same was implemented during the year 2005-06. As such, next assessment was due during the year 2010-11(i.e. five years interval). But the same has not been exercised till date violating the Act enforced for which the Municipality has sustained a great loss.

Hence, it is construed that the Municipal Authority have not taken sincere & effective steps for revision of rate chart for assessment of Holding Tax for which the revenue of the Municipality is facing hindrances.

However, the local authority is advised to take sincere & early steps for revision of rate chart for assessment of Holding Tax & compliance reported to audit

**13.5 - DCB of mobile tower**

The demand, collection and balance in respect of license fees of mobile towers installed in Municipality during 2016-17 was not produced by the local authority inspite of POM issued vide page no.-78 . Hence, present audit could not furnish the DCB position for the year 2016-17. The same may be produced to next audit.

**PARA: 14 AUDIT OF EXPENDITURE**

**14.1 -**

**Excess Payment:**

Scrutiny the following paid vouchers w.r.t. training file under EST & P (OUCM) it was noticed that amounts were released to 2 nos. of skill Training Providers (STPs) without deducting Income Tax on training cost. As per It. No. 178/SUDA, Dt-29.1.16, Income Tax shall be deducted as per prevailing rate of Income Tax Deptt. on Training cost only and deposited with Income Tax Deptt. in a timely manner. I.T. will not be deducted from tool kit cost/material cost. As per Sec 194c of I.T. Rule, I.T. @ 2% will be deducted.

The details of calculation is furnished below:

Vr. No./Date	Agency	Amount Paid	Training Cost	I.T.
93/7.5.16	M/S Hari telematics Pvt. Ltd	202376.00 (1 <sup>st</sup> inst.)	177376.00	3548.00
94/7.5.16	M/S Global College of Hotel Management	202375.00 (1 <sup>st</sup> inst.)	177375.00	3548.00
655/26.10.16	M/S Global College of Hotel Management	242412.00 (2 <sup>nd</sup> inst.)	242412.00	4848.00
			<b>Total</b>	<b>11944.00</b>

The amount of I.T. of Rs. 11944.00 need be recovered from the STPs and deposited in I.T. Deptt. and compliance reported.

On issue of objection memo, the local authority could not reply . Hence, for the amount of Rs. 11944.00 may be recovered from the concerned agency and compliance reported to audit.As Income tax is a govt. dues it was non surchargeable.

**14.2 - Vouchers wanting**

Scrutiny paid vouchers w.r.t. Accountant cash book it was noticed that, the following vouchers were not available to audit. The same may be produced before audit for verification. The details are furnished below:

Sl. No.	Vr. No./Date	To whom paid	Particulars	Amount
1	407/29.8.16	Industrial Consultancy	EPF Consultancy Fee	6000.00
2	558/04.10.16	Sri Satyabrata Tripathy	Repairing charges of Hydraulic ladder	5460.00
3	560/4.10.16	-do-	Repairing charges of office Tractor	3500.00
			<b>Total</b>	<b>14960.00</b>

On issue of audit objection memo, the local authority could not reply. Hence, till production to the next audit, the amount of Rs. 14960.00 is kept under objection.

**14.3 - Excess payment towards cost of Advertisement POM-51**

Scrutiny paid vr. no.-100/19.5.16 & 205/24.6.16 , it was noticed that, a sum of Rs. 7812.00 & 6367.00 were paid to daily newspapers The Pragativadi & The Eastern media ltd. Towards publication of advertisement Bid no.-23/2016 , dt-4.5.16 respectively. On verifying the bills w.r.t. advertisement publication it came to knowledge that, The Pragativadi published the matter within the size 15 x 12 = 180 sq. Cm & paid @ 43.00 per sq.cm. But, the same matter was published in The Eastern Media ltd. Within the area 8 x 11 = 88 sq. Cm & paid @ 72.35 per sq.cm.

If the bid notice would published within the area of 8 x 11 = 88 sq cm by The Pragativadi then, Municipality would pay a sum of Rs. 3784.00 @ 43/- per sq cm. Instead of Rs. 7812.00 . Hence, The the Municipality sustained a loss of Rs. 4028.00 ( 7812.00 – 3784.00) which needs recovery. Instructions should be given to the agencies to publish the advertisement within a stipulated size.

On issue of objection memo, the local authority could not comply. Hence, for the loss of Rs. 4028.00, recovery suggested from the following persons.

- 1.Smt. Lalita Kapoor, E.O.- Rs. 2014.00
- 2.Sri . Pravat Ranjan Barik,Accountant - Rs. 2014.00

**Responsible Person for this paragraph**

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	2014
2	Sri Pravat Ranjan Barik	Accountant	Jatani Municipality	2014

**14.3 - Excess payment towards cost of Advertisement POM-51**

Scrutiny paid vr. no.-100/19.5.16 & 205/24.6.16 , it was noticed that, a sum of Rs. 7812.00 & 6367.00 were paid to daily newspapers The Pragativadi & The Eastern media ltd. Towards publication of advertisement Bid no.-23/2016 , dt-4.5.16 respectively. On verifying the bills w.r.t. advertisement publication it came to knowledge that, The Pragativadi published the matter within the size 15 x 12 = 180 sq. Cm & paid @ 43.00 per sq.cm. But, the same matter was published in The Eastern Media ltd. Within the area 8 x 11 = 88 sq. Cm & paid @ 72.35 per sq.cm.

If the bid notice would published within the area of 8 x 11 = 88 sq cm by The Pragativadi then, Municipality would pay a sum of Rs. 3784.00 @ 43/- per sq cm. Instead of Rs. 7812.00 . Hence, The the Municipality sustained a loss of Rs. 4028.00 ( 7812.00 – 3784.00) which needs recovery. Instructions should be given to the agencies to publish the advertisement within a stipulated size.

On issue of objection memo, the local authority could not comply. As there is no specific mention about the size of advt to be published, the difference occurred resulting loss of municipal fund. Hence, for the loss of Rs. 4028.00, recovery suggested from the following persons.

1. Smt. Lalita Kapoor, E.O.- Rs. 2014.00
2. Sri . Pravat Ranjan Barik, Accountant - Rs. 2014.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	2014
2	Sri Pravat Ranjan Barik	Accountant	Jatani Municipality	2014

**14.4 - Irregular payment of wages to DLRs/NMRs**

On checking the paid vouchers w.r.t. Accountant cash book it was seen that, 15 nos. of DLRs were engaged and a sum of Rs. 1303200/- was paid towards their wages during the year 2016-17. Lt. No.-20133/HUD, dt-28.9.04 addressed to all E.O.s of the ULBs and memo to all Dist. Magistrate & Collectors under the subject "Ban on engagement of work charged/NMRs/DLRs in ULBs" clearly mentioned that Fin. Deptt. vide lt.no.-46707/F, dt-01.11.73 & Lt No.-17815/F, dt-12.4.19 imposed ban on such engagement and it will be done only with the written sanction of Finance Deptt. Further, H & U.D. Deptt. will further allow the engagement of DLRs. However, the sanction order/permission letter for Govt. Need to produce for engagement of such NMRs/DLRs and compliance reported.

The information regarding details of engagement of CLR/DLRs and NMRs are called for in the following format which was not produced by the local authority till closer of audit.

Sl. No.	Name of the DLRs	Date of appointment	Monthly remuneration	Total	Remarks
1	2	3	4	5	6

In absence of the same Rs.1303200.00 as detailed below is treated as inadmissible payment.

**The details of payment to 15 nos. of DLRs during 2016-17 is furnished below:**

Sl. No.	Name of the DLRs	Amount paid(Rs.)
1	Shyam Sundar Sahoo	84720.00
2	Manorama Katayat	84720.00
3	Bidhu Bhusan Mishra	91680.00
4	Surya Mohan Das	91680.00
5	Naresh Ch. Mohanty	84720.00
6	Satrughna Pradhan	90480.00
7	Dharmendra Satapathy	91680.00
8	Panchanan Rout	84720.00
9	Akhila Harichandan	84720.00
10	Nirmal Ch. Moharana	84720.00
11	Jaya Krushna Das	84720.00

12	Padma Charan Jena	84720.00
13	Nilu Behera	84720.00
14	Satya Narayan Jena	84720.00
15	Ramesh Ch. Behera	90480.00
<b>Total</b>		<b>1303200.00</b>

On issue of objection memo, the local authority did not reply. Hence, the amount of Rs. 1303200.00 is suggested for recovery from the following official.

1. Smt. Lalita Kapoor, E.O.- Rs. 1303200.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	1303200

**14.5 - Unauthorised payment of Medical Allowance**

On scrutiny pay acquittance roll of employees of JMC w.r.t. cash book it was noticed that the employees were allowed medical allowance @ 100/- per month. As such a total amount of Rs. 96825.00 was paid to the employees of JMC towards medical allowance during the year 2016-17. As per Lt. No.-14965/H & UD, Dt-27.05.2008, the staff salary of Municipal staff can not be more than that of State Govt. Employees. As there is no provision to pay medical allowance to the state Govt. employees, payment of medical allowance to the municipal staff is not genuine and is a loss to the municipal fund.

The details of payment during 2016-17 towards medical allowance is furnished below:

Month	Medical Allowance paid (Rs.)
March 2016	6500.00
April 2016	8400.00
May 2016	8450.00
June 2016	8450.00
July 2016	8350.00
August 2016	8250.00
September 2016	8250.00
October 2016	8250.00
November 2016	8150.00
December 2016	8150.00
January 2017	7750.00
February 2017	7875.00
<b>Total</b>	<b>96825.00</b>

On issue of audit objection memo, the local authority could not comply. Hence, the amount of Rs. 96825.00 is suggested for recovery from the following official.

1. Smt. Lalita Kapoor, E.O.- Rs. 96825.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	96825

**14.6 - Amount debited from pass book without showing expenditure in cash book –POM-17**

On checking bank pass books w.r.t. cash books, it was seen that, following amounts were debited from pass book without showing expenditure in cash books. The pass book wise withdrawn during the year 2016-17, is furnished below:

Sl. No.	A/C No.	Name of the bank	Date of withdrawan	Amount	Remark
1	00038	ICICI Bank	08.2.17 to 23.2.17	400000.00	NFBS payment
2	412	BOB	21.9.16	2277.00	Service charge
3	727	Axis bank	20.1.17	7000.00	Self cheque withdrawal(para 11.10)
4	4818	SBI	21.10.16	8619.00	Pension arrear
5	4818	SBI	18.3.17	7440.00	
6	321	ICICI	31.3.17	8050.00	Issue of swipe machine
			<b>Total</b>	<b>433386.00</b>	

On issue of objection memo, the local authority could not clarify the payment on 18.3.17 from SBI a/c no.-4818 . Other transactions were verified from the bill register as well as concerned files. The local authority is requested to charge the expenditure in Accountant cash book to reconcile the bank figures between cash book and pass book till regularisation Rs.433386.00 is kept under objection out of which without showing expenditure in cash book and not clarifying the details of payment to audit the total withdrawal of Rs. 7440.00 is suggested for recovery. The following persons are held responsible for the withdrawal.

1. Smt. Lalita Kapoor, E.O. – Rs. 3720.00
2. Sri Pravat Ranjan Barik, Accountant –Rs. 3720.00

**Responsible Person for this paragraph**

Sno	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	3720
2	Sri Pravat Ranjan Barik	Accountant	Jatani Municipality	3720

**14.7 -**

**STAFF POSITION**

Sl.NO.	Name of the post	Sanctioned strength	Men in position as on 31.3.17	Remarks
1	Executive Officer	1	1	
2	Head Asst.	1	1	
3	Sr. Asst.	5	1	
4	Jr. Asst.	9	9	
5	Community Organiser	1	1	
6	Asst. Engineer	1	1	
7	Jr. Engineer	1	1	
8	Light Inspector	1	0	
9	Pharmacist	11	1	
10	Surveyor	1	1	
11	Amin	1	0	
12	Medical Officer	1	0	
13	OTC	29	11	
14	ATC	30	15	
15	Works Sarkar	2	0	
16	Treasury Sarkar	1	0	

17	Holding Tax Sarkar	3	2	
18	ANM	1	0	
19	Licence Supervisor	1	0	
20	Driver	3	2	
21	Sanitary Zamadar	1	0	
22	Night Watchman	1	0	
23	Peon	7	7	
24	Cycle Siezer	1	1	
25	Light checker	1	1	
26	Attendant	2	0	
27	sweeper	40	26	
28	Masson	1	1	
29	MIS	1	1	
30	Pump Driver	1	1	
31	DEBAS Account	1	1	
32	UCDN C.O.	3	3	
	Total	164	89	
<b>DLR/NMR/Contractual</b>				
1	Oderly to C.P.	1	1	
2	Light checker	2	2	
3	Collection staff	2	2	
4	Caretaker of bus stand & Town Hall	6	6	
5	Computer Asst.	1	1	
6	Mandays by CR	4	4	

**PARA: 15 AUDIT ON WORKS**

<b>15.1 - Excess work done &amp; excess payment than the Tender Cost</b>	
Name of the work: Repair of Paikarapur Road in W.No.-10	
E.C.: Rs. 2,00,000/- Head: 13 <sup>th</sup> F.C. (Roads and Bridges)	
Agency: Sri Bijay Ku. Jena	
J.E.- Smt. Suchismita Puhan	
M.E.- Sri D.K. Mohanta	
Vr. No.-155/28.5.16 (1st & F) Rs. 198947.00	
M.B. No.-188/P- 99 to 105	
<b>Excess work done &amp; paid than the Tender Cost:</b>	
Scrutiny the works file with reference to M.B. it was disclosed that initially the Project was sanctioned Rs. 2,50,000/- & Tender was called. Due to single Tender, the process was closed and again fresh tender was called as per the Council resolution. But, the estimate was re-evaluated the Technical sanction & administrative approval was done for Rs. 200,000/-. Accordingly tender was invited & five persons were participated. Sri Bijaya Ku. Jena, Contractor was awarded the tender with 14.99% less of the estimated value. The agreement was done for Rs. 170020/- and work order was issued vide It. No.-2109/28.8.15 & 30 days time period was given to the complete the work. After completion of the work, the J.E./M.E. has taken measurement/check measurement respectively. As per M.B. & bill, the cost of the bill was found Rs. 234027.55 or say Rs. 234027.00	
Less : 14.99% = Rs. 35080.00	
Value of work allowed = Rs. 198947.00	



After deduction of Rs. 25045.00 towards S.D., I.T., Royalty, Cess, EGB the executants was paid Rs. 173902.00 which cannot be admitted in audit.

Deviation statement was prepared & payment process was completed. As per OPWD code only 5% deviation can be allowed. By way of deviating estimate & tender, the executants was allowed to work more & accordingly paid. It may please be clarified why excess work was done by violating tender process & who will be responsible for the excess payment of Rs. 28927.00 (198947 – 170020) loss to the Municipal fund.

On issue of objection memo the local authority replied that,“the work has been executed due the public demand. Accordingly this will be passed in the next Council meeting. “The audit observed that no demand from the public was found in the case record. Though a long time has been passed the fact was not raised in Council meeting for approval of the excess payment. Due to wrong estimation, the excess work has done and excess payment was made to the executant. Hence, the reply of the local authority can not be acceptable in audit and the excess payment of Rs. 28927.00 is suggested for recovery. The following persons are held responsible:

- 1) Smt. Lalita Kapoor, E.O.- Rs. 5786.00
- 2) Sri Dushmant Ku. Mahanta, A.E.- Rs. 5786.00
- 3) Smt. Suchismita Puhan, Ex-J.E.- Rs. 5785.00
- 4) Sri Pravat Ranjan Barik, Accountant - Rs. 5785.00
- 5) Sri Kailash Ch. Choudhury, Head Asst. - Rs. 5785.00

**Responsible Person for this paragraph**

Slno	Name	Designation	Adress	Amount(In Rs:)
1	Sri Kailash Ch. Choudhury	Ex-Head Asst.	Jatani Municipality	5785
2	Sri Pravat Ranjan Barik	Accountant	Jatani Municipality	5785
3	Smt. Suchismita Puhan	Ex-J.E.	Now J.E. at Berhampur Municipal Corporation, Dist-Ganjam	5785
4	Sri Dushmant Ku. Mahanta	Asst. Er.	Jatani Municipality	5786
5	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	5786

**15.2 - Excess payment POM-30-31**

Name of work: Renovation of Nilakantheswar Pokhari, W.No.-10

E.C.-Rs. 1067000/- Head of a/c – Water body

Executant: Sri Kartik Behera

J.E.-Smt. Suchismita Puhan

M.E.-Sri Dushmanta Ku. Mohanta

Vr. No.-658/27.10.16 Rs. 916693.00 (1st R/A)

M.B. No.-210/P – 34 to 46

i) Less realisation of royalty:

Scrutiny the 1<sup>st</sup> R/A bill w.r.t. case record & M.B. it was noticed that a sum of Rs.5851.00 was deducted towards royalty & paid to the Tahasildar, Jatani vide vr.no. 662/27.10.16. But, scrutiny the material statement attached in the case record it was noticed that the royalty of laterite stone was collected @ 19.60 per cum. As per lead statement & analysis of rate, the royalty of L-stone @ 98.00 per cum has been

added in the analysis & paid to the contractor. Due to less realisation the contractor was paid an excess amount of Rs. 6988.00 which needs recovery.

Qty. Of L-stone utilised in the work = 46.15 cum

Royalty due @ 98.00 per cum = 4523.00

Royalty collected @ 19.60 per cum = 905.00

Less realised = Rs. 3618.00

II) Less realisation of EGB

Qty. of cement utilised in the work = 562 bags

Cost of EGB due for collection @ 3.80 per bag = Rs. 2136.00

EGB collected = Rs. 1686.00

Less collected 2136.00 – 1686.00 = Rs. 450.00

III) Excess payment towards cost of cement

Cost of cement paid = Rs. 683.40 per qtl.

Preparation of estimate – 02.5.16

Cost of cement due as per Govt. Rate = 673.00 or say

Qty. of cement utilised in the work = Rs. 280.76

Excess paid = (Rs. 683.40 – Rs. 673.00) x 280.76 = 10.40 x 280.76 = Rs. 2920.00

In toto a sum of Rs.6988.00 (3618.00 + 450.00 +2920.00) paid to the executant needs recovery.

In reply to objection memo the local authority stated that, the amount will be recovered from the final bill. However, the local authority agreed the objection and needs the amount of Rs.6988.00 recovery. After due recovery from the final bill the local authority is requested to furnish the compliance to proper quarter. Till then the recovery amount of Rs. 6988.00 stands and the following persons are held responsible for the excess payment.

- 1) Smt. Lalita Kapoor, E.O.- Rs. 2330.00
- 2) Sri Dushmant Ku. Mahanta, A.E.- Rs. 2329.00
- 3) Smt. Suchismita Puhan, Ex-J.E.- Rs. 2329.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Adress	Amount(In Rs:)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	2330
2	Sri Dushmant Ku. Mahanta	Asst. Er.	Jatani Municipality	2329
3	Smt. Suchismita Puhan	Ex-J.E.	Now J.E. at Berhampur Municipal Corporation, Dist-Ganjam	2329

**15.3 - Excess payment**

Name of work : Constr. of C.C. Road & drain at Kudiary Bhoi Sahi

E.C.- Rs. 996600/-

Head- I.H.S.D.P.

Agency: Sri Kartik Behera

Vr. No. 737/23.11.15 – Rs. 804144.00 (1st R/A)

75/30.4.16 – Rs. 192456.00 (2nd/F)

J.E.- Smt. S. Puhan

M.E. – Sri D.K. Mohanta

M.B. No.-194/P – 34 to 45

1.Excess expr. Incurred due to allowing higher rate

As per previous audit report para no.-15.17, the rate of C.C.(1:4:8) with 4 cm size H.G. hard broken metal inclusive of all was allowed in the bill = Rs. 3225.50 per cum.

But the rate as per audit = Rs. 3078.15

Excess rate allowed = Rs. 147.35

Qty. Executed = 71.96 cum

Excess paid = Rs. 10603.00

(-) Audit Recovery shown in previous = (-) Rs. 9909.00

A/R para no. 15.17

Net recovery = 694.00

1.Less realisation of EGB

Qty. of cement utilised = 865 bags

Cost of EGB to be realised @ 3.80 per k.g. = Rs. 3287.00

Cost of EGB realised @ 3.00 per bag = 2595.00

Less realised = 692.00

The recovery = 694.00 + 692.00 = Rs. 1386.00

The amount may be recovered from the executants and compliance reported to audit.

On issue of audit objection memo, the local authority recovered Rs.11295.00 (1386.00 + 9909.00 vide para no.-15.17 of AR No-252290/16-17 for 2015-16) vide MR No-8039/01.05.18.

Hence the objection is dropped.

**15.4 - Excess payment**

Name of the work : Renovation of Mill Pokhari at W. No. 11

E.C.: Rs. 887200/-

Head: Water Body

Agency: Sri Bijaya Ku. Jena

J.E.-Smt. Suchismita Puhan

M.E.-Sri D.K. Mohanta

Vr. No.-395/22.08.16 (1st & F)

I) Less realisation of Royalty

The Royalty of Laterite stone is 98.00 per cum. But, the royalty was collected @ 70.56 per cum which

Leads excess payment to the executants needs recovery.

Qty. of L.Stone utilised in the work	= 58.39 cum
Royalty to be realised @ 98.00 per cum	= 5722.00
Royalty realised	=4120.00
Less realised	=1602.00

II) Less realisation of EGB

Total Qty. of cement utilised	= 515 bags
EGB due for deduction @ 3.80 per bag	=1957.00
Cost of EGB deducted	=1545.00
Less realised	=412.00

III) Excess payment of cost of cement

Qty. of cement utilised in the work	=257.64 qtl.
Rate of cement allowed in the bill	=683.40ltr.qtl.
Rate due as per Govt.	=673.00 per qtl.
Excess rate paid per qtl.	=10.40
Excess amount paid	=2679.00
Total recovery = 1602 + 412 + 2679	=4693.00

On issue of audit objection memo, the local authority recovered the amount Rs. 4693.00 from the executant vide MR No.-8057/01.5.18 . Hence,

the objection is dropped.

**15.5 - Excess payment**

Name of the work: Const. of C.C. Road & drain at Bachhara Dama Sahi

E.C.- Rs. 996600/-

Head: IHSDP

Agency: Bijaya Ku. Jena

J.E.- Smt. Suchismita Puhan

M.E.-Sri D.K. Mohanta

Vr. No.-148/24.05.16 (1st & F)

M.B. No.-205/P-12 to 22

1) Less realisation of royalty

Scrutiny the above case record w.r.t. M.B. & other connected records it was disclosed that less amount of royalty was deducted from the bill due to calculating less quantity of work in the material statement. The detail calculation of Royalty is furnished below:

Sl. No.	Item	Qty	Unit	Sand	Metal	Chips	Cement
1	Filling in foundation & plinth with sand	403.43	cum	403.43	-	-	-
2	C.C.(1:4:8) using 4 cum size HG metal	80.62	cum	38.70	77.40	-	138.67
3	C.C.(1:1 ½:3) using 12 m.m. size HG chips	94.23	cum	42.40	-	84.80	404.24
	Total			484.53 cum	77.40 cum	84.80 cum	542.91 qtl.

**Royalty**

1. Sand = 484.53 cum @ 19.60 = 9497.00

2. Metal = 77.40 cum @ 70.56 = 5461.00

3. Chips = 84.80 cum @ 70.56 = 5983.00

Total = 20941.00

**Amount deducted**

Metal 46.37 @ 70.56 = 3271.73

Chips 52.25 cum @ 70.56 = 3686.41

Sand 452.74 cum @ 19.60 = 8873.64

Total = 15831.77 or say Rs. 15832.00

Less realised = 20941.00 – 15832.00 = Rs. 5109.00

II) Less realisation of cost of EGB

Quantity of cement utilised	= 542.91 qtls. or say 1086 bags
Cost of EGB @ 3.80 per bag	= 4127.00
Amount deducted	= 1992.00
Less realised	= 2135.00
Total recovery amount	= 5109 + 2135 = Rs. 7244.00

On issue of objection memo, the local authority recovered the amount of Rs.7244.00 from the executant vide MR No.-8058/01.5.18. Hence, the objection is dropped.

**15.6 - Wasteful expenditure**

Name of work: Repair & maint. of office building, works section, office Godown & Garrage.

E.C.-Rs. 210,750/-

Head: NRB/Own fund

Agency: Sri Pradeep Ku. Baral

J.E.-Sri Pratap Ku. Sahoo/Smt. Suchismita Puhan

M.E.-Sri Bibhuti Bhusan Panda/Sri D.K. Mohanta

Vr. No.-62/22.04.2016 90024.00 (1st R/A)

M.B. No.-193/P-64 to 72

Scrutiny the above work case record w.r.t. M.B. it was disclosed that as per Annual action plan 2009-10, the Project was approved out of TFC grant. Accordingly the estimate was prepared with an estimate of Rs. 210750/- . T.S. & A.P. was accorded on 19.11.2009. After due processing the Tender was called & the lowest offered by Sri P.K. Baral was ed to execute the work. Accordingly, the agreement was signed and 60 days was allowed to complete the work i.e. by 17.2.10 . As per the application submitted by Sri Baral, executants on 22.03.2016 the measurement was taken by J.E. & check measured by M.E. on 12.03.16 (M.B. No.-193, P-68). How? As per the application of executants & note sheet page-4, it came to knowledge that due to financial scarcity, the executants could not complete the work in time. The work was completed upto lintel level. After six years the executants was paid Rs. 90024.00 on dt.22.04.2016 out of own fund. More than 02 years has been passed, the Project is not completed till issue of this memo. No steps have been taken to complete the work. No action has been taken against the executants who is executing other works in the Municipality. It may please be stated why the part payment of Rs. 90024.00 will not be treated as wasteful expenditure of Municipal fund.

On issue of audit objection memo, the local authority could not reply anything. Hence, for this loss Smt. Lalita Kapoor, E.O. is solely responsible.

1) Smt. Lalita Kapoor, E.O. - Rs. 90024.00

**Responsible Person for this paragraph**

S/no	Name	Designation	Address	Amount(In Rs.)
1	Smt. Lalita Kapoor	Executive Officer	Jatani Municipality	90024

**15.7 - Excess Payment**

Scrutiny following work bills w.r.t. case record & M.B. it was noticed that, the cost of empty cement Gunny bag @ 3.00 per bag were deducted from the bill & the same were deposited in Municipal Fund & the same were deposited in Municipal fund. As per schedule of rates-2014 onwards, the cost of EGB is Rs. 3.80 per bag. Due to less realisation of Rs. 0.80 (3.80 – 3.00), the Municipality sustained a loss of Rs. 13023.00 during the year 2016-17 which needs recovery from the Contractor and compliance reported. The details are furnished below:

Sl. No.	Name of work	E.C.	Executant	Vr. No./Date	Qty. of cement utilised (in bags)	Cost of EGB due	Cost of EGB realised	Less
1	Const. of C.C. Road from Mandia Sahi Chhak to PWD road	400000	B.Pradhan	482/17.9.16	488	1854	1464	390
2	Const. of drain from Malik fast food centre to Salim shop	400000	P.K. Baliarsingh	1003/10.3.17	369	1402	1107	295
3	Const. of drain from Deba Harichandan House to Elect. Sub station	226000	P.K. Baliarsingh	631/14.10.16	220	836	660	176
4	Const. of drain from Rakhil Mohanty house to J. Mohapatra house	400000	B.K. Sethy	458/17.9.16	392	1490	1176	314
5	Const. of drain from L.N. Temple to Pintu Padhi House	800000	B.Pradhan	9997/10.3.17	969	3682	2907	775
6	Const. of drain from R. Sahu house to Jayanti Satapathy House	400000	B.K. Sethy	464/17.9.16	465	1767	1395	372
7	Const. of drain from Mayadhar Biswal house to Siddha Mandir House	800000	B.K. Sethy	759/08.12.16	968	3678	2904	774
8	Const. of C.C. road from B. Sundaray House to Prasad Bhawan house	221000	P.K. Baral	488/17.9.16	357	1357	1071	286
9	Const. of C.C. road from Grossary shop to Mundia Sahi Chhak	400000	B.Pradhan	476/17.9.16	490	1862	1470	392
10	Const. of C.C. road from Kailash Khandelwal house to S. Sharma house	706000	K.Behera	913/30.1.17	867	2601	3295	694
11	Const. of C.C. road from M. Sahoo house to Electri House	800000	S.K. Behera	1015/15.3.17	872	2616	3314	698
12	Const. of compound wall of Community Centre at Kudiary Bhoi Sahi	998477	K.Behera	74/03.4.16	1034	3102	3929	827
13	Const. of road from PWD road to Biswanath Temple	800000	P.K. Baliarsingh	907/30.1.17	916	2748	3481	733
14	Const. of road from PWD road to Patharachakada	600000	G.Pattnaik	596/13.10.16	532	1596	2022	426
15	Construction of C.C. at Hatabazar	986482	P.K. Baliarsingh	154/30.5.16	790	2370	3002	632

16	Const. of road from M.R. Pattnaik house to P.Rath house	800000	B.Pradhan	895/30.1.17	725	2175	2755	580
17	Const. of drain from Pradhan house to Worsi Tailor	400000	B.Pradhan	715/29.11.16	292	876	1110	234
18	Const. of road from Ram Mandir to Badha chua Pokhari w.no-13	800000	P.K. Baral	1021/15.3.17	959	2877	3644	767
19	Const. of road from Malik Fast food centre to Salim shop	800000	P.K. Baliarsingh	991/10.3.17	934	2802	3549	747
20	Spl. Repair to town hall, JMC	2090800	S. Majhi	885/19.1.17	711	2133	2702	569
21	Const. of C.C. road & drain & laying of water supply line at R.C. Pur slum	996900	K.Behera	324/5.8.16	934	2802	3549	747
22	Const. of road from Adhira Mohapatra house to town hall back side	800000	B.K. Jena	703/10.11.16	951	2853	3614	761
23	Const. of Tube well, C.C. road & drain at Hatabazar slum	998744	B.Pradhan	331/08.8.16	1042	3126	3960	834
							<b>TOTAL</b>	<b>13023.00</b>

On issue of objection memo, the local authority recovered the amount of Rs. 13023.00 from the executants as detailed below:

Sl. No.	Amount	MR No./Date	From whom recovered
1	390.00	8050/01.5.18	Bibhu Dutta Pradhan
2	295.00	8047/01.5.18	Pramod Ku. Baliarsingh
3	176.00	8045/01.5.18	Pramod Ku. Baliarsingh
4	314.00	8035/01.5.18	Bijay Ku. Sethy
5	775.00	8052/01.5.18	Bibhu Dutta Pradhan
6	372.00	8033/01.5.18	Bijay Ku. Sethy
7	774.00	8034/01.5.18	Bijay Ku. Sethy
8	286.00	8041/01.5.18	Pradip Ku. Baral
9	392.00	8051/01.5.18	Bibhu Dutta Pradhan
10	694.00	8037/01.5.18	Kartik Behera
11	698.00	8054/01.5.18	Sarat Ku. Behera
12	827.00	8038/01.5.18	Kartik Behera
13	733.00	8043/01.5.18	Pramod Ku. Baliarsingh
14	426.00	8040/01.5.18	Gautam Pattnaik
15	632.00	8044/01.5.18	Pramod Ku. Baliarsingh
16	580.00	8049/01.5.18	Bibhu Dutta Pradhan
17	234.00	8048/01.5.18	Bibhu Dutta Pradhan
18	767.00	8042/01.5.18	Pradip Ku. Baral



19	747.00	8046/01.5.18	Pramod Ku. Baliarsingh
20	569.00	8055/01.5.18	Satrugna Majhi
21	747.00	8036/01.5.18	Kartik Behera
22	761.00	8056/01.5.18	Bijay ku. Jena
23	834.00	8053/01.5.18	Bibhu Dutta Pradhan

Hence the objection is dropped.

**15.8 - Excess Payment towards cost of cement**

Scrutiny the following work bills w.r.t. work case records/M.B./Estimate & analysis of rate it was noticed that the cost of cement per qtl. Was paid to the contractors is higher than the approved rate as per Lt. No.-109/11.1.16 of Executive Engineer (R & B) Division, Khordha addressed to P.D., DRDA, Khordha. As per his order, the rate of cement is fixed at Rs.673.00 per quintal w.e.f. 11.1.2016. On checking the estimate of the following case records it was noticed that the cost of cement was allowed than the approved rate which leads excess payment to the executants amounting to Rs. 44323.00 needs recovery and compliance reported. The details as follows:

Name of the work	E.C.	Name of the executant	Estimate date	Vr. No./Date	Cost of cement allowed per qtl	Cost of cement due per qtl		
Const. of drain from Malik fast food centre to Salim shop, w.no.-14	400000	P.K. Baliarsingh	16.2.16	1003/ 10.3.17	683.40	673.00	184.60	1920.00
Const. of drain from R.Mohanty house to J.Mohapatra house, w.no-1	400000	B.K. Sethi	16.2.16	458/ 17.9.16	683.40	673.00	191.10	2040.00
Const. of drain from L.N. temple to P.Padhi house W.No-6	800000	B.Pradhan	16.2.16	997/ 10.3.17	683.40	673.00	484.60	5040.00
Const. of drain from R.Sahu house to J.Satapathy house, w.n-9	400000	B.K. Sethi	16.2.16	404/ 17.9.16	683.40	673.00	232.52	2418.00
Const. of drain from M.Biswal house to S. Mandir house, w.n.-10	800000	B.K. Sethi	16.2.16	759/ 08.12.16	683.40	673.00	340.30	3539.00
Const. of drain from M.Sahoo house to electric office	800000	S.K. Behera	16.2.16	1015/ 15.3.17	683.40	673.00	435.90	4533.00
Const. of drain from PWD road to	800000	P.K. Baliarsingh	16.2.16	907/ 30.1.17	683.40	673.00	457.80	4761.00
Const. of drain from M.Pattnaik house to P.Rath house	800000	B.Pradhan	16.2.16	895/ 30.1.17	683.40	673.00	362.381	3769.00
Const. of drain from Pradhan house to worsi tailor w.no.-	400000	B.Pradhan	16.2.16	715/ 29.11.16	683.40	673.00	145.87	1517.00
Const. of road from Ram Mandir to B.Pokhari	800000	P.K. Baral	16.2.16	1021/ 15.3.17	683.40	673.00	479.30	4985.00
Const. of road from Maik fast food centre to Salim Shop	800000	P.K. Baliarsingh	16.2.16	991/ 10.3.17	683.40	673.00	467.20	4858.00

Const. of road from A.Mohapatra house to T.Hall back side	800000	B.K. Jena	16.2.16	703/ 10.11.16	683.40	673.00	475.30	4943.00
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On issue of audit objection memo, the local authority recovered Rs. 44323.00 from the executants as detailed below:

Sl. No.	Amount	MR No./Date	From whom recovered
1	1920.00	8047/01.5.18	Pramod Ku. Baliarsingh
2	2040.00	8035/01.5.18	Bijay Ku. Sethy
3	5040.00	8052/01.5.18	Bibhu Dutta Pradhan
4	2418.00	8033/01.5.18	Bijay Ku. Sethy
5	3539.00	8034/01.5.18	Bijay Ku. Sethy
6	4533.00	8054/01.5.18	Sarat Ku. Behera
7	4761.00	8043/01.5.18	Pramod Ku. Baliarsingh
8	3769.00	8049/01.5.18	Bibhu Dutta Pradhan
9	1517.00	8048/01.5.18	Bibhu Dutta Pradhan
10	4985.00	8042/01.5.18	Pradip Ku. Baral
11	4858.00	8046/01.5.18	Pramod Ku. Baliarsingh
12	4943.00	8056/01.5.18	Bijay Ku. Jena

Hence, the objection is dropped.

**15.9 - Deficiencies noticed in audit of works case records**

During checking of works case records following deficiencies are noticed which needs to be rectified at the earliest

1. Lead statement, quarry chart, Bar chart etc were not attached with the estimate
2. Analysis of rates of items provided in the estimate were not attached with the estimate
3. Project report was not a part of the record to assess the present status of the work and proposed improvement/execution to be made over it.
4. Measurement Book issue register, Approved annual action plan of last three years, Estimate sanction register, Assets register, Property register, Work order issue register, Council resolution, Tour programme & tour diary of J.E. & M.E. were also required for verification.
5. Agreement value not recorded on the body of the bill resulting excess payment in some cases.
6. Completion certificate was not attached in the case record
7. Completed projects were not handed over to the user community
8. Three stage photography before, during & after completion of work was not followed.
9. Project pillar does contains detailed specification of work i.e. length of road, drain, quantity of materials to be used with specification etc.
10. Deviation statement not prepared as per OPWD code.

**15.10 -**

Position of works case records verified during course of audit.

Particulars	No. of Works case records	Amount involved	Remarks
Total works case records due for verification	61	19035520.00	
Work case records verified by audit	59	18470673.00	
Balance works case records that could not be verified by audit	2	564847.00	

Details of case record not produced during audit

Sl. No.	Name of Work	Vr.No./Date	Name of the Executant	Amount (Rs.)
1	Construction of C.C. Road, Pre cast slab over drain at back side of Madrasa at ward no.-5	315/02.8.2016	Harmohan Routray	165559.00
2	Construction of drain from Ranjan House to Jayanti Didi House at ward no-9	919/30.1.2017	Bijay Ku. Sethy	399288.00
			<b>Total</b>	<b>564847.00</b>

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

<b>16.1 -</b>
<b>16.1 - No comments</b>
<b>16.2 -</b>
<b>16.2 - No comments</b>

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

<b>17.1 -</b>
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Information on physical & financial achievement relating to different schemes such as CC Road, TFC, MPLAD, MLALAD, SJSRY, Road Development etc. were asked through POM page no.120 for necessary check & verification. But the local authority returned the POM without any comments . So Financial achievement has been furnished below physical achievement could not furnished due to above reason.

Name of the schemes	Financial achievement						Physical achievement				
	O.B. as on 01.04.16	Funds received during the year 2016-17	Total Fund available	Expenditure during 2016-17	Unspent balance as on 31.03.17	Percentage of expenditure to that of available fund	No. of spill over projects	No. of projects planned for 2016-17 as per AAP	Total	No. of projects completed during 2016-17	No. of spill over projects to the next year
1	2	3	4	5	6	7	8	9	10	11	12
C.C.Road	2433831	0	2433831	0	2433831						
14th CFC	16429000	21706000	38135000	12812714	25322286	33.59 %	7	4	11	0	11
RD Grant	12593211	0	12593211	3336534	9256677	26.49 %	6	32	38	5	33
IHSDP	11307719	0	11307719	6648323	4659396	58.79 %					
NRB	1160185	474000	1634185	0	1634185		0	1	1	0	1
R & B	7398562	3032000	10430562	0	10430562		6	7	13	1	12

It is seen from the above mentioned table that, huge amount of grants remained unutilised till the end of the year. The percentage of expenditure is very low. Hence, effective steps need be taken to utilise the balance fund or refund the same to proper quarter and compliance reported.

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<b>17.2 -</b>
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Audit on schemes MLA LAD

Neither any funds received under MLALAD scheme nor utilized any fund in this scheme. As seen from the previous Audit Report the available fund balance in respect of MLALAD scheme as on 01.4.16 was Rs. 231226.00. No project has been taken up by the Municipality under MLALAD scheme during the year 2016-17.

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**PARA: 18 MISCELLANEOUS**

<b>18.1 -</b>
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Miscellaneous

Non production of records

The following records, registers & particulars were not produced to audit inspite of issue of POM on this score.

1. DCB of hoarding, service tax, tower license fees, trading license fess U/S 290,town hall along with connected records & registers.
2. The details of reassessed holding taxes in the following format along with connected files.

Holding No	Existing taxes	Reassessed taxes	Difference	Details of collection

3. Details of break –up of holdings:-

The details of break –up of holding in the following format may be produced to audit for verification.

Total no. of Holdings	Residential Holdings	Commercial holdings	If commercial	
			On rent for residential	On rent for commercial

- 4.The records& files relating to assessment of new holdings may be produced to audit for verification.
- 5.The demand, collection & balance position regarding collection of ground rent & holding tax from CESCO along with connected file .
- 6.The records/file relating to auction sale/lease of Municipal sairats .

In response to the issued pom no reply was furnished by the Local Authority. The POM issued on the above score was not returned by the local authority till close of audit. The aforesaid records may be produced to next audit for verification & compliance reported.

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<b>18.2 -</b>
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**Non production of records registers relating to OAP disbursement;- pom pg-148-150**

1. On checking of the OAP subsidiary cash book it was noticed that a total sum of Rs.260,000.00 was disbursed during 2016-17. In spite of issue of POM on this score the local authority failed to produce the acquittance roll. Hence the total amount of Rs. 260,000.00 was kept under objection till production to the next audit. Details are as follows:

Date of Payment	Name of disbursing officer	Amount

11.4.16	Sri Surendra Ku. Sethi	85700.00
11.4.16	Sri Bharati Bhusan Mishra	118000.00
09.6.16	Sri Chakradhara Brahma	56300.00
	<b>Total</b>	<b>260000.00</b>

**18.3 -**

Checking of records not produced to previous audit.

The local authority produced the following works case records amounting to Rs. 521946.00 relating to the previous years as detailed below were verified by the audit.

Vr. No./Date	Amount
327/10.8.15	139500.00
668/08.8.13	41600.00
39/06.4.13	50000.00
1037/23.2.16	140846.00
38/06.4.13	150000.00
<b>Total</b>	<b>521946.00</b>

**18.4 -**

Audit paragraph pending for settlement

Basing on the last Audit Report the details of audit paragraphs is pending for settlement as detailed below:

Sl. No.	Audit report no. with year of account	Paragraphs pending for settlement relating to misappropriation of cash & loss of stock & store		Paragraphs pending for settlement other than misappropriation and defalcation		Total	
		No. of Paragraphs	Amount	No. of Paragraphs	Amount	No. of Paragraphs	Amount
1	2	3	4	5	6	7	8
1	47160/AR/2014-15 BBSR	15	3805977.00	26	43875723.00	41	47681700.00
2	120606/AR/2015-16	3	22921.00	18	8241540.00	21	8264461.00
3	252290/AR/2016-17	-	-	50	7521355.00	50	7521355.00

**18.5 -**

Grievance redressal System

The grievance register was called for in POM. In response local authority admitted that no grievance register was maintained in this ULB. Hence the local authority is advised to maintain the same & produced to next audit.

**18.6 - Non auction of Pokhari and Tank**

During year under audit 2016-17 a sum of Rs. 2107902.00 has been spent towards renovation of tank and pokhari. After completion of renovation work the local authority did not take any step for auction of those tanks. Auction money is one of the own fund or internal source of income of the Municipality. No. of ponds, tanks etc. comes under the property of the Municipality. No property register has been maintained in the Municipality to know the actual position of tanks or pokhari situated within the Municipality area. Hence, steps may be taken to make auction of the tanks, maintenance of the property register and produced to next audit.

The details of amount spent for renovation of pokhari during - 2016-17 is furnished below:

Sl. No.	Name of the work	Vr. No./Date	Amount	Remarks
1	Renovation of Pichhili Tank, Ward No.-10	346/17.8.2016	300000.00	
2	Renovation of Milli Pokhari, Ward No.-11	398/22.8.2016	754209.00	
3	Renovation of Nilakantheswar Pokhari, Ward No.-10	658/27.10.2016	916693.00	
4	Renovation of Khalli Pokhari, Ward No.-14	882/17.1.2017	47000.00	
		<b>Total</b>	<b>2017902.00</b>	

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

**19.1 -**

**Non remittance of Government dues like Royalty, VAT, Labour Cess etc.**

Rule-6of Odisha Treasury code Volume-I read with Rule-4 of Odisha General Financial Rules stipulates that all money received/ realised onbehalf of Government should be deposited in full by the competent authority within three days of receipt of the same. Retention of Governmentmoney/revenue outside the Govt. account is highly irregular and not permissible.In violation to the above instruction the following Govt. dues such as Royalty, VAT, Labour Cess etc.realised from differentwork bills are yet tobeposited. An abstract position collection & deposits of royalty,VAT,labour cess etc. during the year 2016-17 is furnished below:

Particulars	Royalty	VAT	L. Cess	P.T.	I.T.	Service Tax	Total
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Dues outstanding as on 1.4.16	504239.00	227639.00	450043.00	174875.00	30192.00	16035.00	1403023.00
Amount collected during 16-17	324736.00	827681.00	162032.00	50125.00	165537.00	0.00	1530111.00
Total	828975.00	1055320.00	612075.00	225000.00	195729.00	16035.00	2933134.00
Amount remitted during 16-17	324736.00	827681.00	162032.00	0.00	165537.00	0.00	1479986.00
Balance to be remitted as on 31.03.17	504239.00	227639.00	450043.00	225000.00	30192.00	16035.00	1453148.00

On issue of POM the local authority agreed to deposit the same at the earliest. Till deposit Rs.1453148.00 is kept under objection

**19.2 -**
**LOAN POSITION**

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 loan position & the Loan Register of the Municipality could not be made available to audit in spite of issue of objection memo for necessary verification & check. Further, the same was also not produced to the previous audit as revealed from the previous Audit Report. As such, the position of loan in respect of Jatni Municipality could not be ascertained. Hence, the local authority is advised to take appropriate & early steps to maintain the Loan Register & produce the same to the next audit.

**19.3 -**

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. But the same is not being followed by the local authority deviating the above mentioned Rules in spite of repeated objection & suggestions by audit. As such, the position of outstanding deposits as on 01.04.2016 could not be ascertained. However, the outstanding deposits as on 01.04.2016 is worked out basing on the balance amount to be refunded as per previous Audit Report for the year 2016-17.Hence, the local authority is once again advised to maintain the Deposit Ledger & Outstanding Deposits in the prescribed Forms for transparency of the transactions.

Name of the Deposit	Outstanding as on 1.4.16	Deposits collected during the year 16-17	TOTAL	Refunded during the year 16-17	Balance amount to be refunded as on 31.3.17	Remarks
SD/EMD	1949980.00	895150.00	2845130.00	647185.00	2197945.00	

**19.4 -**

As per Rule 436 of the Odisha Municipal Rules, 1953 every council shall maintain & administer a provident

As per Rule 442 of the Odisha Municipal Rules, 1953 a provident fund ledger in Form no. P.F.5 is to be kept in the Municipal Office. But the same is not maintained by the local authority. As such, the position of CPF/EPF could not be ascertained. However, the outstanding CPF/EPF amounts as on 01.04.2016 is worked out basing on the outstanding amount as per previous Audit Report for the year 2015-16



As per Rule 445 of the Odisha Municipal Rules, 1953 the amount deducted from the pay bills as provident fund deductions and the contributions paid by the council and other sums relating to the provident fund shall be lodged in the Govt. Treasury and a separate Cash Book shall be maintained. The whole or any portion of such deductions, contributions and other sums relating to the provident fund may be withdrawn from the treasury at such intervals as may be necessary for investment in interest bearing securities or deposits. But separate Cash Book for this purpose has not been maintained by the local authority deviating the Rule in force. Hence, the local authority is advised to maintain Provident Fund Ledger, Abstract Register ,CPF Cash Book and produce the same to the next audit.

Particulars	Position of CPF account	Position of EPF account	Position of NPS account
O.B. as on 1.4.16	85591.00	882591.00	0.00
Amount deducted from the salary during 2016-17	878108.00	326681.00	462079.00
Total	963699.00	1209272.00	462079.00
Amount deposited during 2016-17	878108.00	0.00	0.00
Balance to be deposited as on 31.3.17	85591.00	1209272.00	462079.00

**PARA: 20 RESULT OF AUDIT**

<b>20.1 -</b>
The maintenance of accounts, records, registers of this Municipal Council is in precarious condition as per comments given in the foregoing paragraphs. Special attention of H & UD Deptt, and DUDA Khurda is required at the earliest for betterment of its status.

**Result Of Audit**

Sl No	Name Of The Paragraph	Amount suggested for recovery(In Rs:)	Amount kept on objection(In Rs:)	Amount Surchargeable(In Rs:)	Amount Embezzlement(In Rs:)	Amount Othercases(In Rs:)	Remarks
1	7.1	0.00	500000.00	0.00	0.00	0.00	
2	8.1	40000.00	40000.00	40000.00	0.00	0.00	
3	9.1	0.00	17911267.00	0.00	0.00	0.00	
4	11.10	7000.00	7000.00	7000.00	7000.00	0.00	
5	11.10	0.00	7000.00	0.00	0.00	0.00	
6	13.2	50675.00	50675.00	50675.00	0.00	0.00	
7	13.3	19674.00	19674.00	19674.00	0.00	0.00	
8	13.4	364883.00	364883.00	0.00	0.00	0.00	
9	14.1	11944.00	11944.00	0.00	0.00	0.00	
10	14.2	0.00	14960.00	0.00	0.00	0.00	
11	14.3	4028.00	4028.00	4028.00	0.00	0.00	
12	14.3	4028.00	4028.00	4028.00	0.00	0.00	
13	14.4	1303200.00	1303200.00	1303200.00	0.00	0.00	
14	14.5	96825.00	96825.00	96825.00	0.00	0.00	
15	14.6	7440.00	433386.00	7440.00	0.00	0.00	
16	15.1	28927.00	28927.00	28927.00	0.00	0.00	
17	15.2	6988.00	6988.00	6988.00	0.00	0.00	
18	15.6	90024.00	90024.00	90024.00	0.00	0.00	
19	18.2	0.00	260000.00	0.00	0.00	0.00	
20	19.1	0.00	1453148.00	0.00	0.00	0.00	
<b>Total</b>		<b>2035636.00</b>	<b>22607957.00</b>	<b>1658809.00</b>	<b>7000.00</b>	<b>0.00</b>	

**Audit Certificate**

Cetrified that the accounts of Jatni Municipality for the financial year 2016-2017 have been covered under audit and found correct subject to the comments / remarks offered in the foregoing paragraphs .

**Spot Recovery**

Sl No	Ref Para No/Audit Objection Statement Page No	M.R.No	Date	Amount(In Rs:)	Name of the person
1	15.8	8056	2018-05-01	4943	Bijay Ku. Jena
2	15.8	8046	2018-05-01	4858	Pramod Ku. Baliarsingh
3	15.8	8042	2018-05-01	4985	Pradip Ku. Baral
4	15.8	8034	2018-05-01	3539	Bijay Ku. Sethy
5	15.8	8054	2018-05-01	4533	Sarat Ku. Behera
6	15.8	8043	2018-05-01	4761	Pramod Ku. Baliarsingh
7	15.8	8049	2018-05-01	3769	Bibhu Dutta Pradhan
8	15.8	8048	2018-05-01	1517	Bibhu Dutta Pradhan
9	15.8	8033	2018-05-01	2418	Bijay Ku. Sethy
10	15.8	8052	2018-05-01	5040	Bibhu Dutta Pradhan
11	15.8	8035	2018-05-01	2040	Bijay Ku. Sethy
12	15.8	8047	2018-05-01	1920	Pramod Ku. Baliarsingh
13	15.7	8053	2018-05-01	834	Bibhu Dutta Pradhan
14	15.7	8056	2018-05-01	761	Bijay ku. Jena
15	15.7	8036	2018-05-01	747	Kartik Behera
16	15.7	8055	2018-05-01	569	Satrugna Majhi
17	15.7	8046	2018-05-01	747	Pramod Ku. Baliarsingh
18	15.7	8042	2018-05-01	767	Pradip Ku. Baral
19	15.7	8048	2018-05-01	234	Bibhu Dutta Pradhan
20	15.7	8049	2018-05-01	580	Bibhu Dutta Pradhan
21	15.7	8044	2018-05-01	632	Pramod Ku. Baliarsingh
22	15.7	8040	2018-05-01	426	Gautam Pattanaik
23	15.7	8043	2018-05-01	733	Pramod Ku. Baliarsingh
24	15.7	8038	2018-05-01	827	Kartik Behera
25	15.7	8054	2018-05-01	698	Sarat Ku. Behera
26	15.7	8037	2018-05-01	694	Kartik Behera
27	15.7	8051	2018-05-01	392	Bibhu Dutta Pradhan
28	15.7	8041	2018-05-01	286	Pradip Ku. Baral
29	15.7	8034	2018-05-01	774	Bijay Ku. Sethy
30	15.7	8033	2018-05-01	372	Bijay Ku. Sethy
31	15.7	8052	2018-05-01	775	Bibhu Dutta Pradhan
32	15.7	8035	2018-05-01	314	Bijay Ku. Sethy
33	15.7	8045	2018-05-01	176	Pramod Ku. Baliarsingh
34	15.7	8047	2018-05-01	295	Pramod Ku. Baliarsingh
35	15.7	8050	2018-05-01	390	Bibhu Dutta Pradhan
36	12.1	8059	2018-05-02	230	Chitta Ranjan Mohapatra
37	11.11	8024	2018-04-28	1000	Bharati Bhusan Mishra
38	11.7	8015	2018-04-27	1100	Jaya Krushna Das
39	11.8	8060	2018-05-02	2700	Mamata Mayee Mishra
40	11.9	8027	2018-04-28	443	Mamata Mayee Mishra
41	11.11	8023	2018-04-28	700	Siba Prasad Mishra
42	11.7	8012	2018-04-27	50	Nilu Behera
43	11.6	8017	2018-04-27	6100	Surya Mohan Das
44	11.6	8016	2018-04-27	330	Rohini Kanta Mardaraj
45	11.6	8014	2018-04-27	3230	Bijay Ku. Barik
46	11.5	8008	2018-04-27	25	B.K. Guru
47	11.5	8016	2018-04-27	268	Rohini Kanta Mardaraj
48	11.5	8018	2018-04-27	8	D.K. Mohanty
49	11.5	8019	2018-04-27	5	D.D. Badajena
50	11.4	8009	2018-04-27	1000	Ajay Ku. Sahoo
51	11.4	8020	2018-04-27	120	Siba Prasad Mohapatra
52	11.4	-	2018-04-19	800	Pravat Ranjan Barik
53	11.4	8016	2018-04-27	2400	Rohini Kanta Mardaraj
54	11.3	8013	2018-04-27	260	Bidhu Bhusan Mishra
55	11.3	8014	2018-04-27	380	Bijay Ku. Barik
56	11.3	8017	2018-04-27	1910	Surya Mohan Das
57	11.3	8007	2018-04-28	590	Satyabadi Srichandan
58	11.3	8011	2018-04-27	50	Jayakrushna Das
59	11.3	8026	2018-04-28	600	Mamata Mayee Mishra
60	11.3	8008	2018-04-27	320	Bijay Ku. Guru
61	11.3	8016	2018-04-27	1090	Rohini Kanta Mardaraj

62	11.2	8005	2018-04-27	18	Debabrata Mishra
63	11.2	8004	2018-04-27	291	Jayanti Satapathy
64	11.2	8006	2018-04-27	40	Sukanta Nayak
65	15.3	8039	2018-05-01	11295	Kartik Behera
66	15.4	8057	2018-05-01	4693	Bijay Ku. Jena
67	15.5	8058	2018-05-01	7244	Bijay Ku. Jena
68	11.1	8078	2018-05-16	2318	Bharati Bhusan Mishra
69	11.3	8079	2018-05-16	100	Narendra Ku. Palei
70	11.12	8077	2018-05-16	700	Rohini Kanta Mardaraj
<b>Total</b>				<b>109754</b>	