



नगर विकास एवं आवास विभाग  
URBAN DEVELOPMENT & HOUSING DEPARTMENT  
Government of Bihar

# INTERNAL AUDIT REPORT

FOR  
FY 2017-18

**BHABHUA NAGAR PARISHAD**

**GROUP-06**  
**ULBs-18**

**Vinod  
Singhal & Co. LLP**  
CHARTERED ACCOUNTANTS  
We Plant Quality



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## EXECUTIVE SUMMARY

### 1. INTRODUCTION

Name of the Municipality	Bhabhua Nagar Parishad
Period covered under current audit	01.04.2017 to 31.03.2018
Name of Municipal Commissioner for the period under Audit	Mr. Anubhuti Prasad Sriwastav

### 2. RESULTS AND FINDINGS

➤ Strengths observed during audit engagement

In the existing system as prevailing in the Nagar Parishad day to day work is in progressive manner in respect of execution of the projects.

➤ Weaknesses observed in the functioning of office, maintenance of records etc. observed during the audit engagement:

SINo	Audit Observations
1	Partial comply AG report for the F.Y. 2015-16 to 2016-17
2	Budget not prepared in proper manner and guidance given by <u>UD&amp;HD GoB</u> .
3	Non-updating of bank reconciliation on monthly basis as per Rule No. 118 of BMAR - 2014.
4	Non-Implementation of Double Entry Accounting System
5	No details were made available regarding meeting of municipal accounts committee held during the financial year 2017-18.
6	<p><b>Non-levy of following taxes</b></p> <ul style="list-style-type: none"> <li>* Surcharge on transfer of lands and buildings</li> <li>* Water tax</li> <li>* Fire tax.</li> <li>* Tax on advertisements, other than advertisements published in newspapers</li> <li>* Surcharge on electricity consumption within the municipal area</li> <li>* Tax on congregations.</li> <li>* Tax on pilgrims and tourists.</li> <li>* Tax on profession.</li> <li>* Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy Goods vehicles, and buses, which shall be heavy passenger motor vehicles.</li> <li>* User Charges for provision of water-supply, drainage and sewerage</li> <li>* User Charges for Solid Waste Management</li> <li>* User Charges for Parking Facility</li> <li>* User Charges for Garbage Clearance</li> </ul>

	<ul style="list-style-type: none"> <li>* Collection of fees for sanction of building plans and issue of completion certificates,</li> <li>* Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings,</li> <li>* Collection of Development Charges</li> </ul>
7	Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22
8	Non-collection of notice fees for defaulter
9	Non-recovery of outstanding taxes
10	Non-providing details regarding arrear of advertisement tax, mobile tower tax, rental income
11	Non-preparation of payment vouchers
12	Non-conducting physical survey of 20 high value properties and non-collection of outstanding property tax since F.Y. 2016-17
13	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014
14	Non-preparation of Annual Financial Statement as per the provision of Rule 122 of BAMR - 2014
15	<b>Irregularities in vendor payment process:</b> <ul style="list-style-type: none"> <li>▪ Budget Control register was not updated</li> <li>▪ Quality control test report was not available</li> <li>▪ Completion certificate was not available in payment file in case of completed contract.</li> </ul>
16	Non-maintenance of register for all procurements with value above Rs. 15,000
17	Missing signature of wages worker and stamp of ULB on muster roll register
18	No maintenance of separate earnest & security deposit register
19	Non-compliance of Act & Rules
20	Lack of internal control measures <ol style="list-style-type: none"> <li>1. Voucher file was not maintained</li> <li>2. No internal mechanism for statutory compliance</li> <li>3. No MIS was prepared for tracking of payments</li> <li>4. Required books of accounts as per BMAM was not maintained</li> <li>5. Statutory compliance reconciliation was not maintained</li> <li>6. Year-end reconciliation was not available</li> <li>7. Bank reconciliation of any bank account was not prepared.</li> <li>8. Bank balance as per cash book was not maintained.</li> </ol>
21	<b>Non-compliance of statutory compliances:</b> <ul style="list-style-type: none"> <li>▪ Non preparation of statutory compliance register</li> <li>▪ Non deposit of TDS on timely basis.</li> <li>▪ Non filling of TDS return for due period</li> <li>▪ Non providing details regarding VAT/PF/Labour Cess</li> </ul>
22	<b>Deficiency in payroll system</b> <ul style="list-style-type: none"> <li>▪ Non-preparation of salary payment voucher</li> <li>▪ Non-maintaining salary payment reference number in cash book</li> <li>▪ Non-implementation of Bio-metric device and payroll software</li> </ul>
23	Non-providing of Utilization certificate for the reporting audit period
24	Non-maintaining of inventory/store register and non-conducting of physical verification of inventory and stores available with ULB as per requirement of BMAR-rule 130.

25	Non providing details of Advances, their adjustment & Recovery
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### 3. **OPINION**

The management has to take stringent effort in forming accountability at various levels of the ULB, introducing reforms in financial management and accounting systems, development of strong internal control and organizational design of Municipalities, ensuring capacity building of the municipal personnel and other matters incidental thereto for overall improvement of the ULB.

### 4. **AUDIT RECOMMENDATIONS**

SIN o	Audit Observations	Audit Observations
1	Non comply AG report for the F.Y. 2014-15 to 2016-17	During audit we observed that the compliance of C & AG report for the F.Y.2014-15 to 2015-2016 has not be fully done by ULB. Further due to lack of co-operation we were also unable to help them in comply with C & AG audit report. We requested to management to nominate someone to comply with C & AG audit queries. <i>We suggest that ULB officials should take appropriate action to prepare compliance of C &amp; AG &amp; internal audit compliance.</i>
2	Budget not prepared in proper manner and guidance given by <u>UD&amp;HD GoB</u> :	ULB should implement real time budget preparation in prescribed format of BMAM. Further, Budget variance report should be prepared for actual budget report.
3	Non-updating of bank reconciliation on monthly basis as per Rule No. 118 of BMAR - 2014.	<b><u>Bank Reconciliation help us to monitor over:</u></b> 1. Difference between Bank Passbook and Cash Book 2. Unauthorised withdrawal from Bank. 3. Excessive debited by Bank 4. Helps to know any other reasons of differences. <i>Therefore, ULB should prepare bank reconciliation of all bank accounts including doormat accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records.</i>
4	Non-Implementation of Double Entry Accounting System	As per requirement of BMAR-2014, Part -A, Chapter -2 Rule -4, "All ULB refereed in Schedule -I shall maintain its Books of Account using the double entry system".
5	No details were made available regarding meeting of municipal accounts committee held during the financial year 2017-18.	As per requirement of BMA-2007, Chapter-XII, ULB should held meeting of Municipal Accounts Committee each year. During our Audit no any evidence has been produced to us w.r.t. meeting of municipal accounts committee. <i>ULB should ensure timely meeting of accounts committee in compliance of BMA-2007.</i>
6	<b>Non-levy of following taxes</b> * Surcharge on transfer of lands and buildings * Water tax * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations.	As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. <i>ULB should take steps to implement required taxes to boost their revenue</i>

	<ul style="list-style-type: none"> <li>* Tax on pilgrims and tourists.</li> <li>* Tax on profession.</li> <li>* Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles.</li> <li>* User Charges for provision of water-supply, drainage and sewerage</li> <li>* User Charges for Solid Waste Management</li> <li>* User Charges for Parking Facility</li> <li>* User Charges for Garbage Clearance</li> <li>* Collection of fees for sanction of building plans and issue of completion certificates,</li> <li>* Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings,</li> <li>* Collection of Development Charges</li> </ul>	
7	Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22	As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. However, during our audit, we observed that there is a huge delay in depositing the tax at bank. <i>Therefore, management should implement a MIS Mechanism towards getting control over collection and deposit of Taxes. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000</i>
8	Non-collection of notice fees for defaulter	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but In case of Babhua Nagar Parishad, ULB has not provided any information regarding charging and collection of notice fees. <i>ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.</i>
9	Non-recovery of outstanding taxes	ULB has provided during audit the detail of outstanding tax and other income, we observed on the basis of the data that there is huge arrear of taxes at ULB. <i>Therefore, the management should take proper step to boost collection of arrears. Further a weekly or fortnightly meeting with all tax collectors to be held for getting the reason of non-collection and resolving the same.</i>
10	Non-providing details regarding arrear of advertisement tax, mobile tower tax, rental income	ULB should prepare proper records for arrear amount and should take proper steps to collect arrears.
11	Non-preparation of payment vouchers	ULB should prepare voucher based on running voucher as per the provision of Rule No. 16, 17 and 18 of BMAR -2014.
12	Non-conducting physical survey of 20 high value properties and non-collection of outstanding property tax since F.Y. 2016-17	Being ULB was not maintaining any details of high value properties, The details given in report has been prepared based on receipts book. Filed Survey of the same could not be conducted due to non-support of tax Daroga & tax collectors in filed

		survey. ULB should identify and prepare separate list of high value properties by conducting re-assessment of prospective properties on timely basis to boost their revenue.
13	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014	Detail of registers not maintained by ULB is mentioned under PART-A (a). ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule -3 of BMAR - 2014.
14	Non-preparation of Annual Financial Statement as per the provision of Rule 122 of BAMR - 2014	ULB should ensure preparation of Annual Financial Statement as per the provision of Rule 122 of BAMR - 2014
15	<b>Irregularities in vendor payment process:</b> <ul style="list-style-type: none"> <li>▪ Budget Control register was not updated</li> <li>▪ Quality control test report was not available</li> <li>▪ Completion certificate was not available in payment file in case of completed contract.</li> </ul>	Proper tender documents regarding tender approval and allotment was not properly maintained or made available for audit. In provided cases, we are unable to comment on channel of procurement of tender and their required compliances. Further, no statutory compliance register was maintained in regards with statutory dues deducted from party bills. So, ULB should maintained proper tender register and file that include all related documents of tender. Statutory compliance register should be maintained for all statutory deductions made form parties invoices.
16	Non-maintenance of register for all procurements with value above Rs. 15,000	ULB should ensure maintenance of register for all Procurements with value above Rs. 15,000
17	Missing signature of wages worker and stamp of ULB on muster roll register	ULB should ensure proper maintenance of wages register by complying signature and stamping.
18	No maintenance of separate earnest & security deposit register	EMD and security deposit register help in tracking of balance payable to parties.
19	Non-compliance of Act & Rules	Refer point of Part-B (d) of audit report for status of non-compliance of Act & Rules. ULB should ensure compliance of all applicable Act & Rules.
20	<b>Lack of internal control measures</b> <ol style="list-style-type: none"> <li>1. Voucher file was not maintained</li> <li>2. No internal mechanism for statutory compliance</li> <li>3. No MIS was prepared for tracking of payments</li> <li>4. Required books of accounts as per BMAM was not maintained</li> <li>5. Statutory compliance reconciliation was not maintained</li> <li>6. Year-end reconciliation was not available</li> <li>7. Bank reconciliation of any bank account was not prepared.</li> <li>8. Bank balance as per cash book was not maintained.</li> </ol>	<p>We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances:</p> <p><b>We suggest that:</b></p> <ol style="list-style-type: none"> <li>1. MIS System should be implemented over daily collection and deposit.</li> <li>2. Reason for non-deposit/ late deposit should be strongly need to ask for minimise delay.</li> <li>3. Need to identify a person to comply with the statuary compliances. In case failure to comply with statuary compliances he should also be penalised. Therefore, the management has to take serious effort in implementation of Internal control Mechanism for getting a better result from ULB working.</li> </ol>
21	<b>Non-compliance of statutory compliances:</b> <ul style="list-style-type: none"> <li>▪ Non preparation of statutory compliance register</li> <li>▪ Non deposit of TDS on timely basis.</li> <li>▪ Non filling of TDS return for due period</li> <li>▪ Non providing details regarding</li> </ul>	Statutory compliance register was maintained in regards with statutory dues deducted from party bills. So, ULB should maintained proper statuary compliance register. Statutory compliance register should be maintained for all statutory deductions made form parties invoices.

	VAT/PF/Royalty/Labour Cess	Non-compliance with statutory dues will cause of penalty, interest and prosecution. <i>Management should insure that all statutory dues are paid on time and returns related thereof filed on time.</i>
22	<b>Deficiency in payroll system</b> <ul style="list-style-type: none"> <li>▪ Non-preparation of salary payment voucher</li> <li>▪ Non-maintaining salary payment reference number in cash book</li> <li>▪ Non-implementation of Bio-metric device and payroll software</li> </ul>	<p>Every payment should be accompanied with payment voucher. Further as per Section 2(23) of the Indian Stamp Act 1899 makes it mandatory for affixing of stamp on any <b>receipt</b> as defined therein above Rs 5000. Therefore, management should ensure that the payment is accompanied with payment voucher.</p> <p><b>Meaning of Receipt :</b> "Receipt" includes any note, memorandum or writing-</p> <p>(a) whereby any money, or any bill of exchange, cheque or promissory note is acknowledged to have been received, or (b) whereby any other movable property is acknowledged to have been received in satisfaction of a debt, or</p> <p>(c) whereby any debt or demand, or any part of a debt or demand, is acknowledged to have been satisfied or discharged, or</p> <p>(d) which signifies or imports any such acknowledgment; and whether the same is or is not signed with the name of any person "</p>
23	Non-providing of Utilization certificate for the reporting audit period	Grant is blood of ULB. Therefore, for getting grant and running the ulb working smoothly it is very important to comply with all necessary requirement of grant. Further timely submission of utilisation certificate helps the grant realising authority to send the money for fulfil the requirement of future. <i>Therefore, management should ensure that UC has been submitted with concerned department on time.</i>
24	Non-maintaining of inventory/store register and non-conducting of physical verification of inventory and stores available with ULB as per requirement of BMAR-rule 130.	<i>Management should implement the control system over inventory and store. Stock register should be in place and get it verified by a responsible person as authorised by management time to time. Further any discrepancies arises/ found during such verification should be reported immediately.</i>
25	Non providing details of Advances, their adjustment & Recovery	To ensure timely recovery of advance with interest proper calculation should be there with proper recovery plan.

##### 5. COMMENTS FROM MANAGEMENT

Audit observations with audit recommendation has been submitted with management for providing management Comments.

##### 6. ACKNOWLEDGEMENT

Considering the Physical Environment, accessibility, literacy of the Human Resources, communication facilities and so many other hindrances, we are in opinion that, the working of the ULB has a deep impact on the economic & social aspects and values of the inhabitants of the demarcated area. And the unit specifically dedicated for the development of Nagar Parishad in the state of Bihar according to plan & for matters ancillary thereto.



## DETAILED AUDIT REPORT

### 1. INTRODUCTION:

S.NO.	Name Of ULB	Period-covered		Audit Team
		From	TO	
1	Bhabhua Nagar Parishad	01-04-2017	31-03-2018	<b>1. Name of Team Leader :</b> Krishan Kumar Sodhani <b>2. Name of CA :</b> CA Rahul Kumar Shrivastwa <b>3. Name of Auditor-1:</b> Sanjeev Kumar

### 2. ADMINISTRATION:

Sl. No	Particulars	Details
1	The present body of the ULB has taken charge on	09-06-2017
2	<b>The incumbency in the key administrative and executive positions was as under:</b>	
2.1	<b>Name of Mayor:</b>	Mr. Jaynanad Kumar Arya
2.1.1	<b>Period of Service:</b>	<b>From:</b> 09-06-2017 <b>To:</b> Till date
2.2	<b>Name of Commissioner/Executive Officer:</b>	Mr. Anbhuti Prasad Sriwastav
2.2.1	<b>Period of Service:</b>	<b>From:</b> 13-07-2017 <b>To:</b> Till date

### 3. REVIEW OF OUTSTANDING AUDIT PARAS:

#### 3.1. Status of Audit Observations is as under:

(Rs. In Lakh)

S.N.	Particulars of audit and date of report	Total no. of audit paras	Total no. of audit paras where necessary improvement /corrective measures required	Total no. of audit paras where recovery of cash is proposed	Total no. of audit paras where recovery has been made	Total amount of Recovery	Total no. of O/s para where no action has been taken	No. & date of compliance report
1	Audit report submitted by AG for the F.Y. 2015-16 to 2016-17	32	31	7	1	1.00	18	857/17-11-2018

#### 3.2. Details of total no of audit paras:

Period of AG audit report : Financial year 2015-16 to 2016-17

Compliance report date & Number : 857/ 17-11-2018



Sl. No	Audit Para Number	Heading of the audit para	Amount involved	Recovery Proposed	Recovery Completed	Action Taken or Not
<b>Part-II (A) of AG Audit Report</b>						
NIL						
<b>Part-II (B) of AG Audit Report</b>						
1	1	Not collecting labour cess during approval of building map	14.35	14.35	-	Yes
2	2	Payment of salary without approval of standing committee	3.21	3.21	-	Yes
3	3	Short/ Not Deposited amount of "H" receipt by Ujjawal Kumar Pandey	0.37	0.37	-	Yes
4	4	Amount deposited during audit	0.18	-	-	Yes
5	5	Error in purchase of fibber dustbin and hand trolley.	129.77	-	-	Yes
6	6	Error in purchase of LED Street light and high mast light	56.88	-	-	Yes
7	7	Stamp duty not deposited in respective head	0.93	-	-	Yes
8	8	Loss of revenue in contract	0.93	-	-	Yes
9	9	Excess payment due to non deduction of late fee	0.65	-	-	Yes
10	10	Excess / irregular payment in scheme	1.21	-	-	Yes
11	11	Amount due on Mobile tower	102	102	-	Yes
12	12	Undeclared/ blocked amount	34.78	34.78	-	No
13	13	Non adjustment of advance amount given to Employee	2.00	2.00	1.00	Yes
14	14	No any certificate taken for transfer amount to Self Help Group under NULM	1.10	1.10	-	No
15	15	Differences found between Cashbook and Bank Passbook as on 31.03.2017	-	-	-	No
<b>Part-III (TAN) of AG Audit Report</b>						
16	1	Demand register not maintain as per rules and regulations	-	-	-	No
17	2	Non availability of Land for execution of solid waste	-	-	-	No
18	3	Non collection of solid waste from house	-	-	-	No
19	4	Storage of Solid waste	-	-	-	No
20	5	Provide data in prescribed format under Sat Nischay of Mukhyamantri Sahari Nali Gali Pakkikaran Nischay Yojna	-	-	-	No
21	6	Non availability of Voucher file	-	-	-	No
22	7	No proper entry in Demand and Collection register	-	-	-	No

23	8	No proper entry in Grant received from Government and other sources	-	-	-	No
24	9	Non preparation of Assets register	-	-	-	No
25	10	Non formation of Municipal Accounting Committee by Board	-	-	-	No
26	11	Non preparation of Annual account	-	-	-	No
27	12	Non presentation of Financial Statement and Balance sheet	-	-	-	No
28	13	Non presentation of previous audit compliance report	-	-	-	No
29	14	Non presentation of Approved Budget	-	-	-	No
30	15	Books are not kept under Double accounting system.	-	-	-	No
31	16	Non presentation of Completion certificate	-	-	-	No
32	17	List of non-presented books of accounts.	-	-	-	No
<b>Total</b>						

Refer "Annexure -1"

#### 4. FINANCE

##### I. Budgetary provisions and expenditure for the last three years

Year	Year- 2015-16	Year- 2016-17	Year- 2017-18
Final/Revised Budget Data	59,60,02,247	30,34,70,000	16,79,61,618
Actual Expenditure Data	6,59,52,092	12,24,46,333	Not Available
Savings (+)/Excess (-)	53,00,50,155	18,10,23,667	Can't Ascertain

##### Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 & 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2015-16, 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

##### II. Volume of transactions

Period	Budgeted for F.Y. 2017-18	Actual for the F.Y. 2016-17	Actual for the F.Y. 2015-16	Actual for the F.Y. 2017-18	Cumulative for the current period
Opening balance	25,79,29,195	24,82,25,026	10,56,45,552	Not Available	Not Available
Receipts	17,03,39,378	13,21,50,502	20,29,41,812	Not Available	Not Available



<b>Total</b>	<b>42,82,68,573</b>	<b>38,03,75,528</b>	<b>30,85,87,364</b>	Not Available	Not Available
Net expenditure	16,79,61,618	12,24,46,333	6,59,52,092	Not Available	Not Available
<b>Closing balance</b>	<b>26,03,06,955</b>	<b>25,79,29,195</b>	<b>24,26,35,272</b>	Not Available	Not Available

**Comment:**

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 & 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2015-16, 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

**Refer "Annexure -2"**

**III. Bank Reconciliation position as on reporting date**

**Bank Reconciliation position as on 31-03-2018**

S. N	Name of Bank	Bank A/C No.	Purpose of Bank Account	Balance as per Cash Book	Balance as per Bank Statement	Differences	Reconciled (Yes/No)
1	PNB BANK BHABUA	3863000102055661	Online Tax	12,58,183	1,24,515	11,33,668	No
2	ICICI BANK BHABUA	255801000376	SBM	25,09,594	25,09,594	-	No
3	AXIS BANK BHABUA	917010033757371	NULM	99,15,488	1,04,63,030	(5,47,542)	No
4	PNB BANK BHABUA	3863000102055634	13th Finance	632	632	-	No
5	PNB BANK BHABUA	3863000102012107	UIDSSMT	35,54,891	36,32,715	(77,824)	No
6	PNB BANK BHABUA	3863000102031148	Nirvachan	11,933	27,157	(15,224)	No
7	PNB BANK BHABUA	3863000102003394	BRGF	15,84,481	16,02,736	(18,255)	No
8	S.B.I BANK BHABUA	11054505485	Pension Fund	9,71,245	9,79,530	(8,285)	
9	MBGB BANK BHABUA	73380104149855	14 <sup>th</sup> Finance	6,15,023	6,15,023	-	
10	MBGB BANK BHABUA	73380104153706	5 <sup>th</sup> Finance	37,03,452	85,16,202	(48,12,750)	
11	MBGB BANK BHABUA	73380100134374	Kabir Antyeshti	5,98,759	5,98,759	-	
12	UNITED BANK OF INDIA	1953010062718	HFA	16,60,006	21,60,005	(4,99,999 )	

**Comment:**

1. Bank Reconciliation statement has not been prepared by the Bhabhua Nagar Parishad.
2. Bank balance as per cash book was not made available for verification.

**VI. Status of Implementation of Double Entry Accounting System**

The ULB has not yet implemented Double Entry Accounting System.

**VII. Status of Meeting of Municipal Accounts Committee**

No details regarding meeting of municipal accounts committee held during the reporting period was made available.

**5. AUDIT OBSERVATION**

**I. PART-A**

**All Audit objections/irregularities which has monetary implication, particularly in following areas:**

**a. Leakage of own source revenue either due to wrong assessment or non-levy of property tax, mobile tower tax, rent on municipal properties, advertisement tax, fee etc.**

**1. Non-levy of taxes:** As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. *In case of Bhabhua Nagar Parishad*, the following mentioned tax/charges are not implemented that leads to loss of revenue to ULB.

- \* Surcharge on transfer of lands and buildings
- \* Water tax
- \* Fire tax.
- \* Tax on advertisements, other than advertisements published in newspapers
- \* Surcharge on electricity consumption within the municipal area
- \* Tax on congregations.
- \* Tax on pilgrims and tourists.
- \* Tax on profession.
- \* Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles.
- \* User Charges for provision of water-supply, drainage and sewerage
- \* User Charges for Solid Waste Management
- \* User Charges for Parking Facility
- \* User Charges for Garbage Clearance
- \* Collection of fees for sanction of building plans and issue of completion certificates,
- \* Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings,
- \* Collection of Development Charges

Refer “Annexure -3”

**2. Late deposit of property tax:** As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. *In case of Bhabhua Nagar Parishad*, during verification of receipts book and deposit slips, we have noticed that there was gap of 15-31 days in collection of tax and deposit of tax to cashier.



Sl. No	Serial Number		Amount of Tax	Date of Collection as per Receipts Booked	Date of Deposited with Cashier	Delay in deposit with cashier	
	From	To				Minimum	Maximum
1	1399	1400	328	06-04-2017 to 07-04-2017	31.05.2017	54	56
2	1701	1705	17,104	08-04-2017 to 29-05-2017	31.05.2017	2	53
3	1706	1711	6,941	20-06-2017 to 22-07-2017	31.07.2017	9	41
4	1712	1712	1,099	13.09.2017 to 13.09.2017	26.09.2017	13	14
5	1713	1714	444	17-10-2017 to 30-10-2017	31.10.2017	1	14
6	1715	1716	782	31-10-2017 to 9-11-2017	30.11.2017	21	30
7	1717	1722	16,767	07-12-2017 to 26-12-2017	30.12.2017	4	23
8	1723	1730	5,742	06-01-2018 to 18-01-2018	30.01.2018	12	24
9	1731	1732	1,413	16-02-18 to 15-03-2018	31.03.2018	16	43
10	1086	1090	9,149	07-04-2017 to 24-04-2017	31.05.2017	37	54
11	1093	1095	11,501	12-06-2017 to 17-06-2017	31.07.2017	44	49
12	1096	1096	68,773	18.09.2017 to 18.09.2017	26.09.2017	8	9
13	1097	1098	2,048	12.10.2017 to 12.10.2017	31.10.2017	19	20
14	1099	1099	1,630	28.12.2017 to 28.12.2017	30.12.2017	2	3
15	1100	1100	8,128	09.01.2018 to 09.01.2018	01.12.2017	Cheque	Cheque
16	1801	1803					
17	1804	1805	4,667	23-01-2018 to 29-01-2018	30.01.2018	Cheque	Cheque
18	1806	1810	12,335	05-02-2018 to 30-03-2018	31.03.2018	1	54
19	1174	1180	12,494	07-04-2017 to 13-04-2017	31.05.2017	48	54
20	1181	1184	5,735	21-06-2017 to 17-7-2017	31.07.2017	14	40
21	1185	1187	3,059	08-08-2017 to 21-08-2017	31.08.2017	10	23
22	1188	1188	2,734	21.09.2017 to 21.09.2017	26.09.2017	5	6
23	1189	1194	8,130	22-11-2017 to 26-12-2017	30.12.2017	4	38
24	1195	1195	2,734	23.01.2018 to 23.01.2018	30.01.2018	7	8
25	1196	1200	30,111	01-02-2018 to 27-03-2018	31.03.2018	4	59

**2.1 Late deposit of property tax:** As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made.

**In case of Bhabhua Nagar Parishad,** during verification of receipts book and deposit slips, we have noticed that there was gap of 0-1 days in collection of tax and deposit of tax with Bank.



Sl. No	Serial Number		Amount of Tax	Date of Deposited with Cashier	Date of Deposited with Bank	Delay in deposit with cashier	
	From	To				Minimum	Maximum
1	1399	1400	328	31.05.2017	31-05-2017	0	0
2	1701	1705	17,104	31.05.2017	31-05-2017	0	0
3	1706	1711	6,941	31.07.2017	31-07-2017	0	0
4	1712	1712	1,099	26.09.2017	03-10-2017	7	8
5	1713	1714	444	31.10.2017	31-10-2017	0	0
6	1715	1716	782	30.11.2017	30-11-2017	0	0
7	1717	1722	16,767	30.12.2017	30-12-2017	0	0
8	1723	1730	5,742	30.01.2018	30-01-2018	0	0
9	1731	1732	1,413	31.03.2018	31-03-2018	0	0
10	1086	1090	9,149	31.05.2017	31-05-2017	0	0
11	1093	1095	11,501	31.07.2017	31-07-2017	0	0
12	1096	1096	68,773	26.09.2017	03-10-2017	7	8
13	1097	1098	2,048	31.10.2017	31-10-2017	0	0
14	1099	1099	1,630	30.12.2017	30-12-2017	0	0
15	1100	1100	8,128	01.12.2017		Cheque	Cheque
16	1801	1803					
17	1804	1805	4,667	30.01.2018		Cheque	Cheque
18	1806	1810	12,335	31.03.2018	31-03-2018	0	0
19	1174	1180	12,494	31.05.2017	31-05-2017	0	0
20	1181	1184	5,735	31.07.2017	31-07-2017	0	0
21	1185	1187	3,059	31.08.2017	31-08-2017	0	0
22	1188	1188	2,734	26.09.2017	03-10-2017	7	8
23	1189	1194	8,130	30.12.2017	30-12-2017	0	0
24	1195	1195	2,734	30.01.2018	30-01-2018	0	0
25	1196	1200	30,111	31.03.2018	31-03-2018	0	0

3. **Non collection of Notice fees:** As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but ***In case of Bhabhua Nagar Parishad***, ULB has not provided any information regarding charging and collection of notice fees.

4. **Recovery of outstanding taxes/rental income:** As per record provided by ULB, following income was in arrear as on 31-03-2018.

**Details of outstanding arrear of income as on 31-03-2018**

Sl. No	Type of Income	Arrear Amount
1	Property Tax	1,44,039
2	Advertisement Tax	Not Provided
3	Rent Income	Not Provided
4	Mobile Tower Tax	1,12,84,760

**Comment:**

1. ULB should implement/take action to boost collection of arrear revenue to increase their own source revenue.
2. Details of Advertisement Tax and Rent income were not made available for verification.

Refer “Annexure -4”

**b. Excess payment against bill, lack of prudence in payment against voucher, inefficiency in controls resulting loss to ULBs.**

1. **Payment of bills after due date:** During audit of ULB we have not provided a single bill for our verification, therefore we can't comment on it.
2. **Pass payment without preparation of payment vouchers:** The ULB does not prepare Payment Vouchers for making payment to the parties/vendors. Payment was made on the basis of bills only raised in the name of ULB which is passed by the competent authority.
3. **Irregularities in payments:** No such irregularities were observed in provided sample data. As complete vouchers files were not made available for audit. However, as reported in point no. 1 above there is irregularities in payment of electricity expenses. ULB is paying huge delay surcharge on the same.

**C. Report on findings of field survey of Property Tax of minimum 20 high value properties.**

**Comment:**

1. Physical survey of properties could not be done due to non-availability of ULB staff for survey.  
Refer “Annexure -3”

**II. PART-B**

**a. Non-maintenance of books of accounts and subsidiary registers:**

The ULB has not maintained the following prescribed registers *(Please find attached letter to the ULB regarding non-submission of the following documents):* -

1. Journal Book
2. Ledger
3. Contra Voucher
4. Journal Voucher
5. Receipt Voucher
6. Register of Cheque Received
7. Statement on status of cheque received
8. Register of Bills for Payment
9. Payment order
10. Register of Advance
11. Register of Permanent Advance
12. Deposit Received Register
13. Summary statement of Deposits Adjustment



14. Demand register
15. Bill of Income
16. Summary Statement of Bill Raised
17. Register of Notice Fee Warrant Fee other fees
18. Summary statement of Notice Fee Warrant Fee other fees
19. Summary statement of Refund and Remissions
20. Summary statement of Write offs
21. Statement of outstanding liability for expenses
22. Register of Immovable and Movable Property
23. Register of Land
24. Function wise Income Subsidiary Ledger
25. Function wise Expenditure Subsidiary Ledger
26. Asset Replacement Register
27. Register of Public Lighting System
28. Building Register
29. Status and Heritage Assets Register
30. Road and Street register
31. Bridges Flyover Subway and Causeway Register
32. Drains Register
33. Ponds and Lakes Register
34. Plant and Machinery Register
35. Vehicle Register
36. Office Equipment Register
37. Furniture and Fixture Register
38. Computer and Peripheral Register
39. Software Register
40. Grants Register

**Required at – Property Tax and other taxes**

1. Summary Statement of bills raised
2. Summary statement of Demand Adjustment raised
3. Summary statement of refunds and remissions
4. Summary Statement of write-offs
5. Money Receipt Book
6. Hand Book (details due from tax payer)

**Documents required at – water Supply**

1. Summary Statement of Demand raised on assessment
2. Summary statement of Head wise collection
3. Summary statement of refunds remissions
4. Summary statement of write- offs

**Documents required at – Rentals Fees and Other Income**

1. Summary Statement of Demand raised on assessment
2. Summary statement of Head wise collection
3. Summary statement of refunds
4. Summary statement of write- offs

**Documents required at- Public Works**

1. Summary Statement of status of CWIP
2. Work Sheet
3. Deposit works register

**Documents required at – Stores**

1. Material Receipt Note
2. Statement of Material Issues



**Other**

1. Balance confirmation as on 31.12.17
2. BRS of all Bank Accounts (including dormant accounts)
3. Physical Verification report of cash and Stock

**Final Accounts for the year 2014-15 & 2015-16 & 2016-17 & 2017-18**

1. Audited Balance Sheet
2. Audited Income & Expenditure Account
3. Audited Receipts & Payments Account and unaudited Receipts & Payment

**Refer "Annexure -3"****b. Irregularity in procurement process:**

- 1 Irregularities in vendor payment process:** During audit, we observed the following discrepancies in allotment of tender:

Sr No.	Contract No.	Description of Tender	Awarded value	Name of contractor	Deduction From Payment		Remarks
1	46/2017-18	Bhagwan Pur Road Me Ritu Raj Singh Ghar Se Hote Hue Ram Ji Ghar Tak Np3 Pipe Dren And Chamber Ka Nirman And Dhakkan	7,35,000	Rahul Singh	TDS	6,385	<b>In connection of this tender, we have noticed the following irregularities:</b>  1. We have not found neither any advertisement nor departmental order for this tender.  2. As per General rule No. 11 of "Bihar public Work Department" every tenderer whose tender is selected required to deposit a security deposit of 10 % of Tender Value. However, neither we have found any documents related to security deposit nor the amount deducted from payment made to tenderer.  3. Completion certificate not presented to us for our verification, therefore we are unable to say that completion
					Sales Tax	11,761	
					Labour Cess	6,385	
					Royalty	6,694	
					<b>Total</b>	<b>31,225</b>	
2	17/2017-18	Chakbandi Road Se Upendra Panday Ke Ghar Ke Age Purav Tak Np3 Pipe Man Hol Nala Nirman Ward No 11	7,34,500	Rahul Singh	TDS		
					Sales Tax	11,323	
					Labour Cess	6,334	
					Royalty	6,694	
					<b>Total</b>	<b>24,351</b>	
3	47/2017-18	Gri Singh Ke Ghar Ke Pass Pcc Road And Nala Nirman Kray	1,24,000	Rahul Singh	TDS	1,070	
					Sales Tax	1,859	
					Labour Cess	1,070	
					Royalty	1,473	
					<b>Total</b>	<b>5,472</b>	
4	4/2017-18	Ramesh Singh Ke Ghar Se Asha Devi Ke Ghar Tak Pcc Road And Nala Nirman Ward No 25	4,84,000	Rahul Singh	TDS		
					Sales Tax	7,565	
					Labour Cess	4,116	
					Royalty	5,263	
					<b>Total</b>	<b>16,944</b>	



						certificate issued or not.
						4. Further the statutory compliance registers not presented to us for our verification, therefore we are unable to comment that amount deducted from vendor on account of Labour cess, TDS, sales tax and royalty has been deposited on time or not and return related to respective act has been submitted or not.

- 1. Whether a register is kept for all Procurements with value above Rs. 15,000/-:** No procurement register was maintained at ULB level for procurement with value above Rs. 15,000. However, we have observed some discrepancies from invoice file as reported below:
- 2. As per rule no 75, disbursement to the daily wage workers is to be witnessed by the chief municipal officer / engineer and he has to sign the disbursement certificate after ensuring that the acknowledgement has been obtained from the workers on the master payroll (BMAR Form -33):** As per provided master payroll of daily wages worker, we observed that signature of wages worker against their attendance was not available. This is noted that stamp of ULB was not affixed on signature done in master payroll.
- 3. No separate earnest & security deposit register:** Earnest money deposit & security deposit register help in tracking refund of EMD/SD on time to concerned parties, but in ULB, no such register was maintained/provided for verification.

**c. Non-Compliance of directives by UD&HD, GoB:**

SINo.	Direction issued by UDHD	Complied or Not
1	No such non-compliance of directives by UD&HD, GoB was observed during the audit	

**d. Non-Compliance of Act & Rules:**

Sl. No	Requirement	Criteria	Auditors Comment
1	The amount of tax collected by the Tax collector is required to be handed	BMAR Rule No.-22	Refer point: Part-A (a) (2) No, during audit we observed that



	over to the cashier and deposited into bank on the same day on which collection is made		there was max 15-31 days delay in deposit of tax with cashier, However there was 0-1 day delay in deposited of tax by cashier into bank.
2	Whether every bill collector or municipal employee entrusted with the collection of municipal revenue was supplied with a Collection Register in BMAR Form 17 and receipt books.	BMAR Rule No.- 27	Yes, every bill collector or municipal employee entrusted with the collection of municipal revenue was supplied with a Collection Register in BMAR Form 17 and receipt books.
3	Whether the collection register was in the personal custody of the bill collector and the particulars in It shall be written up from the original receipts issued at the time of collection.	BMAR Rule No.- 27	Yes, Collection register was in the personal custody of the bill collector and the particulars in It shall be written up from the original receipts issued at the time of collection.
4	Whether bill collector get its verified collection register as well as the receipt books in his charge to the Revenue inspector/Revenue Officer or the designated stall of the Municipality	BMAR Rule No.- 27	Yes, bill collector gets its verified collection register as well as the receipt books in his charge to the Revenue inspector/Revenue Officer or the designated of the Municipality
5	Whether every bill collector invariably remits his collections (in cash and/or cheques) to Cashier dallies before 4.30 PM and take the cashier's acknowledgment in the collection register.	BMAR Rule No.- 27	<b>Refer point: Part-A (a) (2)</b> No, in actual we noted that tax collector was not remitting his collections to bank. We noted that there were delay in deposit of tax with bank from day 15 to 31 days.
6	Whether Grant Register as prescribed in BMAR Form 28 was maintained by the Municipality to record receipts and utilization of grants sanctioned by the Government.	BMAR Rule No.- 69	No, Scheme wise grant register was maintained by the ULB.
7	Whether specific grants, which have certain conditions attached for utilizing such grants including the requirement to use it for capital purposes or use it in a particular proportion or manner. Usually such grants have requirements for submitting utilization certificates e.g. Finance Commission grant, SFC grant for specific purpose, namely, road repairs. It is the responsibility of the Chief Municipal Officer that the conditions attached to the grant are complied with without exception.	BMAR Rule No.- 69	<b>Refer point: Part-B (h)</b>  Scheme/Grant related documents was not made available for audit,
8	Whether The grant received for a specific purpose was diverted for any other purpose.	BMAR Rule No.- 69	No such circumstance were noticed during the audit
9	Whether the Utilization Certificate was signed by Chief Municipal Officer for verification of the financial outlays and physical progress reported on BMAR Form No 29.	BMAR Rule No.- 69	<b>Refer PART-B (h)</b> No, certified Utilization certificate details produced for verification. However, they have provided the excel sheet of UC submitted. We are submitting below the copy of such

			excel sheet. Further in absence of hard copy of uc we are unable to comment on the validity of such detail.
10	Whether Municipality has returned unutilized grant for more than three years from date of receipt to the source from where such grant was received	BMAR Rule No.- 69	No such circumstance were noticed during the audit
11	Whether the Chief Municipal Officer prepare a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.	BMAR Rule No.- 120	No, Bhabhua Nagar Parishad was not preparing a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.
12	Whether ULB prepare monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.	BMAR Rule No.- 121	No, Bhabhua Nagar Parishad was not preparing monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.
13	Whether ULB sent the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter	BMAR Rule No.- 121	No, Bhabhua Nagar Parishad was not sending the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter
14	<p>The Chief Municipal Officer shall, within three months after the end of each financial year be prepared financial statements for the preceding year in respect of the accounts of the Municipality.</p> <p><b>The Financial Statements shall comprise of</b></p> <p>a. Receipts and Payments Account for the year (BMAR Form No.71)</p> <p>b. Income &amp; Expenditure Statement for the year (BMAR Form No.73)</p> <p>c. Balance Sheet as on 31st March of the year (BMAR Form No.74)</p> <p>d. Significant accounting policies adopted by the Municipality in presentation of the financial statements</p> <p>e. Notes to Accounts, which shall disclose Contingent liabilities, and such other information as, may be useful in understanding the financial statements clearly.</p> <p>f. Comparative amounts shall be entered on the financial statements for the preceding financial year except. In the case of the first year to which those rules apply</p>	BMAR Rule No.- 122	BMAR Rule No. - 122 were not followed by ULB during the F.Y. 2017-18.
15	Whether the municipality is regular in	BMAR Rule No.-130	<b>Refer PART-B (f)</b>

	depositing statutory dues including tax deducted at source, GST, TDS on GST, service tax, VAT, works contract tax, cess payable to the government etc. and If not, the nature and cause of such delay and the amount not deposited: (BMAR Rule No.-130)		
16	Whether the municipality is regular in remittance of pension and leave encashment contributions or any other amounts which the municipality is liable to remit towards the retirement dues of its employees, including employees on deputation;(BMAR Rule No.-130)	BMAR Rule No.-130	<b>Refer PART-B (g)</b>
17	Whether all transactions (incomes, expenditures, assets and liabilities) are correctly classified and stated in sufficient detail;	BMAR Rule No.-130	No, BMAR Rule No. 130 was not followed by ULB. As Single-entry accounting system was followed by ULB
18	Whether all grants sanctioned or received by the municipality during the year, have been accounted properly, and where any deduction is made out of such grants towards any dues of the ULB? Whether such deductions have been properly accounted;	BMAR Rule No.-130	No, grant register was not maintained by ULB
19	Whether any Special Funds have been created as per the provision of any statute and whether the Special Funds have been utilized for the purposes for which they have been created;	BMAR Rule No.-130	No details regarding creation of special fund and their use were made available to comment thereon.
20	Whether the ULB is maintaining proper records showing full particulars, including quantitate details and situation of fixed assets; whether these fixed assets have been physically verified at reasonable Intervals; whether any material discrepancies were noticed on such verification and if so, whether the same has been properly dealt with in the books of account;	BMAR Rule No.-130	ULB was not maintaining fixed assets register for the financial year 2017-18. Further no, fixed assets physically verified report was made available to comment upon.
21	Whether in case of leasehold property given by the ULB, lease rentals are collected regularly by the ULB and that the lease agreements are renewed after their expiry;	BMAR Rule No.-130	No details regarding lease hold property was made available to comment upon.
22	Whether there exists an adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets?	BMAR Rule No.-130	No, ULB is not followed adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets. <b><i>As ULB was not maintaining any store and assets purchase register.</i></b>

23	Whether any expenses of personal nature of the Officers or employees has been charged to the municipality's accounts; If so, the details thereof;	BMAR Rule No.-130	We have not observed such type of transaction during audit.
24	Whether the Bank Reconciliation statements have been properly prepared for all the bank accounts of the ULB and the remedial actions including all correcting entries have been taken on timely basis;	BMAR Rule No.-130	<b>Refer Point-04 (III)</b> No, ULB has not prepared bank reconciliation for any bank accounts maintained.
25	Whether the year-end and reconciliation procedures prescribed have been carried out as per the rules;	BMAR Rule No.-130	As ULB has single entry accounting system, in that case year end provisions and reconciliation was not made during the reporting period.
26	Whether all the expenditure incurred by the Municipality is authorized by appropriate provision in the sanctioned budget. whether made originally or subsequently and are in all cases such as are authorized by Act;	BMAR Rule No.-130	Since proper voucher and expenses invoices not presented for our verification, therefore we can't comment on it.
27	Whether all revenue has been properly assessed, accounted for, collected and recovery action taken on timely basis;	BMAR Rule No.-130	<b>Refer-PART-A (a)(4)</b> Yes, ULB has accountant revenue properly. But collection and recovery of taxes was in slow pace that's why there was arrear of taxes in ULB.
28	Whether all sums due to and received by the Municipality have been brought to account within the prescribed time limits and are in all cases such as are authorized by Act;	BMAR Rule No.-130	<b>Refer-PART-A (a)(2)</b> Yes, all sums due to and received by the Municipality have been brought to account within the prescribed time limits and are in all cases such as are authorized by Act. Except; In case of deposit of daily tax collection, that is deposited on average 15-3 days delay of collection.
29	Whether the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order;	BMAR Rule No.-130	In absence of specific record during the audit, we can't comment that the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order
30	Whether, proper books of account as required by the Act and Rules have been kept by the Municipality so far as It appears from examination of those books. (Rule-130 of BMAR-2014)	BMAR Rule No.-130	<b>Refer-PART-B (a)</b> No, some required books of accounts as per BMAM/BMAR has not been maintained.
31	Whether physical verification has been conducted by the ULB at reasonable intervals in respect of stores;	BMAR Rule No.-130	No store verification report was made available during the reporting period to comment upon.
32	Whether the procedures of physical verification of stores followed by the ULB are reasonable and adequate?	BMAR Rule No.-130	No, procedures of physical verification of stores followed by the ULB have been provided to comment upon.
33	Whether any material discrepancies have been noticed on physical verification of stores as compared to book records, and If so, whether the	BMAR Rule No.-130	No such details provided

	same has been properly dealt with in the books of account; Whether proper procedures are in place to Identify any unserviceable or damaged stores and whether provision for the loss In this respect, If any, has been made In the accounts;		
34	Whether the valuation of stores is in accordance with the accounting principles laid down in the rules? Whether the basis of valuation of stores is same as in the preceding year? If there is any deviation in the basis of valuation, the effect of such deviation, if material, should be reported;	BMAR Rule No.-130	No such details provided
35	Whether the parties to whom loans or advances have been given by the ULB are repaying the principal amounts as stipulated and are also regular in payment of the Interest and If not, whether reasonable steps have been taken by the municipality for recovery of the principal and interest?	BMAR Rule No.-130	No such details provided
36	Whether advances given to municipal employees and interest thereon are being regularly recovered;	BMAR Rule No.-130	No such details provided
37	<b>Municipal Fund:</b> Whether ULB has created required fund as mentioned in chapter IX of BMA-2007	BMA,2007: Chapter IX	No, ULB is using single entry accounting system, so there was no fund was accounting followed.
38	<b>Investment of surplus money.</b> Whether municipality has invested surplus fund as per the requirement of the chapter-X of BMA-2007. Auditor will report on the fixed deposit and other funds should be in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period.	BMA,2007: Chapter X	No details provided
	Check whether comparative interest rate is invited from parties before investing surplus funds:		
39	<b>Preparation of budget estimate of Municipality.</b> Whether The budget estimate stated the rates at which various taxes, surcharges, cesses and fees shall be levied by the Municipality in the year next following,	BMA,2007: Chapter XI	Yes, followed by the ULB, however budget is not prepared in proper manner.
40	<b>Maintenance of accounts.</b> Whether the Chief Municipal Officer prepared and maintained accounts of receipts and expenditure of the Municipality in such form, and in such manner, as may be prescribed,	BMA,2007: Chapter XII	As ULB was following single entry accounting system. So, receipts and payments details were being maintained in form of cash book. Audited receipts & payments account as per BMAM was not prepared by ULB.



41	<b>Financial Statement.</b>	BMA,2007: Chapter XII	No, ULB was not preparing a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in respect of the accounts of the Municipality.
	Whether the Chief Municipal Officer shall, within four months of the close of a year, cause to prepare a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in respect of the accounts of the Municipality,		
42	<b>Submission of financial statement and balance sheet to auditor.</b>	BMA,2007: Chapter XII	No, Financial Statements were not provided for audit by ULB
	The financial statement prepared under section 88 and the balance sheet of the assets and the liabilities prepared under section 89 shall be placed by the Chief Municipal Officer before the Empowered Standing Committee which, after examination of the same, shall adopt and remit them to the Auditor as may be appointed in <b>this behalf by the State Government.</b>		
43	As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act,2007 various tax is applicable on ULBs	BMA,2007: Chapter XV	<b>Refer-PART-A(a)(1)</b> for status of taxes not collected by ULB
44	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007,) Municipality shall, by regulations, provide for issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore,	BMA,2007: Chapter XIX	<b>Refer-PART-A(a)(3)</b>

**e. Lack of internal control measures:** We have observed the following areas where internal control measures are required by ULBs-

1. Voucher file was not maintained
2. No internal mechanism for statutory compliance
3. No MIS was prepared for tracking of payments
4. Required books of accounts as per BMAM was not maintained
5. Statutory compliance reconciliation was not maintained
6. Year-end reconciliation was not available
7. Bank reconciliation of any bank account was not prepared.
8. Bank balance as per cash book was not maintained.

**f. Non-compliance of TDS, VAT and other relevant Statute**

**1. Details of TDS deducted and to be deposited:** During audit we noted that ULB is not regular in deposit of TDS, As mentioned below circumstances, ULB has deducted TDS but no proof for deposit was provided. Since ULB has not presented statutory compliance register for audit, therefore the amount reported below is not presenting the full picture of deduction. Actual deduction is may be excess from the reported deduction.

**2. Details of TDS deposited :**

During the audit, ULB has not provided any details regarding deposit of TDS, Further they have not provided the statutory compliance register for our audit.



**Note:**

1. Neither copy of challan nor the copy of return has been presented to us, therefore we are unable to comment that payment made on time or not. However, we wish to say that non-payment of tax on due or before date will attract interest @ 1.5% p.m. or part of month
2. As per provision of sec. 276B, If a person fails to pay to the credit of the Central Government to the amount of tax deducted at source by him as required by or under the provisions of Chapter XVII-B; or the tax payable by him, as required by or under sub-section (2) of section 115-O; or the second proviso to section 194B, he shall be punishable with rigorous imprisonment for a term which shall not be less than **three months** but which may extend to **seven years** and with fine.

**3. Details of TDS returns filled are mentioned below:**

During the audit, we observed that ULB was not regular in filling of TDS return, as per below mentioned details this is clear that either ULB had not filled TDS return or if filled then not followed due date of return filling. This practice of delay in filling of TDS return would cause ULB in form of penalty.

SINo	Quarter	Due date of Return	Actual date of Return filled	Remark
1	Quarter-1 of F.Y. 2017-18	31 <sup>st</sup> -Jul-2017	Not Provided	In absence of data can't comment.
2	Quarter-2 of F.Y. 2017-18	31 <sup>st</sup> -Oct-2017	Not Provided	
3	Quarter-3 of F.Y. 2017-18	31 <sup>st</sup> -Jan-2018	Not Provided	
4	Quarter-4 of F.Y. 2017-18	31 <sup>st</sup> -May-2018	Not Provided	

**Note:**

- a. As per provision of Sec. 234E where a person fails to file the TDS/TCS return on or before the due date prescribed in this regard, then he shall be liable to pay, by way of fee, a sum of Rs. 200 for every day during which the failure continues. The amount of late fees shall not exceed the amount of TDS Further as per provision of Sec 271H diductor or collector of tax at source fail to file the return within the stipulated date, he/she can also be penalized with a fee which is not less than Rs 10,000. The amount of penalty could go up to Rs. 1 lakh.
- b. **Downloading of TDS Certificates from TRACES made mandatory:** In this regard, your attention is invited to the [CBDT circulars 04/2013 dated 17.04.2013](#), [CBDT Circular No. 03/2011 dated 13-5-2011](#) and [CBDT Circular No. 01/2012 dated 9-4-2012](#) on the **Issuance of certificate for Tax Deducted at Source** in Form 16/16A as per IT Rules 1962. It is now **mandatory for all diductor's to issue TDS certificates after generating and downloading the same from "TDS Reconciliation Analysis and Correction Enabling System" or TRACES Portal**. In view of above circulars, it may kindly be noted that the TDS Certificates **downloaded only from TRACES Portal** will be valid. Certificates issued in any other form or manner will not comply to the requirements referred in the Income-tax Act 1961 read with relevant Rules and Circulars issued in this behalf from time to time. Further as per the provisions of section 203 of the Income Tax Act, 1961 read with rule 31A, Certificate of tax deducted at source is to be **furnished within fifteen (15) days from the due date for furnishing the statement of tax deducted at source**. Failure to comply with the provisions of the Act will attract **penalty under the provisions of [section 272A](#) of the Act, a sum of one hundred rupees for every day** during which the failure continues.
- c. In case of ULB the commissioner/executive officer in charge will be person who is liable to deduct and pay the TDS and issue of TDS certificate on time. Therefore, management is suggested to take a serious note on the status of Tax collected or deposited, timely submission of return thereof and issuance of TDS Certificate.

**g. Deficiency in payroll system:**

SINo	Particulars	Comments
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1	Status of maintenance of salary register for all employees (Permanent/Daily wages/Contract worker)	Yes, Salary register was maintained for all employees
2	Non availability of Salary payment voucher	ULB was not in practice to issue salary payment voucher, Payment of salary was passed based on approval by competent authority on salary register.
3	Matching of voucher number with cash book	No salary payment voucher number was mentioned in cash book
4	Salary register contains all elements of salary	Yes, all elements of salary were mentioned in salary register.
5	Maintenance of Salary Deduction register	Deductions from salary was mentioned in salary register, no separate deduction register was maintained.
6	Whether biometric devices and payroll software is implemented in ULB. If Yes, then is it integrated with accounting software	Biometric device was and payroll software was not implemented in ULB.

**h. Utilisation of Grant and report on missing Utilisation Certificates:** ULB has not provided any hard and soft copy of Approved utilization certificate letter send to the department. However, they have provided the excel copy of uc submitted. Further in absence of any verified data we are unable to comment of the integrity of the data. **“Refer point-06-10-PART-B (d) for more on grant”**  
**Refer “Annexure – 5”**

**i. Physical verification of inventory/Stores:** Refer point 31-34 PART-B (d)

**j. Advances, their adjustment & Recovery:** Refer point 35-36 PART-B (d)  
Since the ULB has not provided the amount of advance given during the year, earlier year and adjustment thereof. Therefore we can't comment on it.

**k. Any other matters as may be prescribed in due course:** As all relevant matters has been covered in above mention point

### **III. PART-C**

SINo	Particulars	Complied or Not
a	Auditor should report in a separate section for non-compliance of rules/directives of UD&HD, GoB; Auditor should see the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.	Complied Refer-PART-B(d)
b	Auditor should Report in a separate chapter on implementation of SAS of Property Tax in the ULB; internal auditor should witness some assessment procedures to check any in-consistencies in assessment. At least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not) must be surveyed and checked in each quarter and reported variations, if any, in PTRs and Actuals as per internal audits;	Complied Refer-PART-A(c)
c	Auditor should report on compliance of Bihar Municipal Accounting Manual, Bihar Municipal Accounts Rules, 2014 and Bihar Municipal Budget Manual with special attention to following Rules of BMAR: <b>Rule 22:</b> All moneys to be brought to account <b>Rule 27:</b> Collections to be deposited into Bank on the same day <b>Rule 69:</b> Grant Related Compliance <b>Rule 120-121:</b> Monthly Receipt & Payment Account and Trial Balance <b>Rule 130:</b> Audit to be completed & reported within 6 months	Complied Refer-PART-B(d)
d	Report on Compliance of financial guidelines of schemes of MOHUA & UD&HD,	Complied

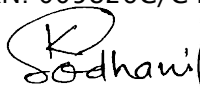

	GoB.	Refer-PART-B(c)
e	Report and quantify all major own revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sairat etc.;	Complied Refer-PART-A(a)
f	Auditor should Report on adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments above Rs. 10,000 and above.	Complied Refer-PART-B(b)
g	Auditor should Report on Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-	Complied Refer-PART-B(b)
h	Auditor should Report on presence or absence of a system of issuance of utilisation certificate for the different schemes for any utilisation made during the reporting period; Where there is no system for issuance of U/Cs, the Internal Audit report shall prepare Utilisation Certificate for various schemes/grants as per the guidelines of such scheme available on the UD&HD website.	Complied Refer-PART-B(h)
i	Auditor should report instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	Complied Refer-Audit recommendation
j	Internal Auditor will report on each payment, that the payment terms & conditions of tenders and rate offers are according to procurement law and policies.	Complied Refer-PART-B(b)
k	Internal Auditor will report on each payment, that the payment terms & conditions of tenders and rate offers are according to procurement law and policies	Complied Refer-PART-B(b)
l	Auditor will report on that the fixed deposit and other funds should be in nationalized Banks/Approved financial institutions and should earn maximum interest at their gestation period.	Complied Refer-PART-B(d)
m	Internal Auditor will identify major areas of ULBs own revenue loss and auditor will access the loss and Prepare a statement of loss.	Complied Refer-PART-A(a)
n	Auditor will report on that all kind of tax deductions i.e. Commercial tax, Income tax, provident fund etc. Should be deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.	Complied Refer-PART-B(f) & (g)
o	Internal Auditor will ensure that all the C&AG audit & Internal audit Paras has been complied by the ULBs, if not complied the Internal Auditor shall help the ULBs staffs to prepare the compliance report.	Complied Point-03 of Detailed Audit Report

Thanking You,

For Vinod Singhal & Co. LLP

(Chartered Accountants)

FRN: 005826C/C400276

CA Krishan Kumar Sodhani

Partner

M. No. : 404603



कार्यालय-नगर परिषद,भभुआ

पत्रांक.....857..... दिनांक.....17-11-2018

कार्यपालक पदाधिकारी  
नगर परिषद,भभुआ

सेवा में,

स्थानीय लेखा परीक्षक बिहार

महालेखाकार भवन

बीरचन्द्र पटेल मार्ग, पटना-800001

विषय:- स्थानीय लेखा परीक्षक बिहार पटना के वार्षिक लेखा परीक्षा का प्रतिवेदन वर्ष-2015-16 से 2016-17 तक के अनुपालन प्रतिवेदन का प्रेषण।

प्रसंग- विभागीय पत्रांक-सं0,एल0ए0/एस0एस0-1/श0स्था0नि0/14739/52 दिनांक-11.06.2018

महाशय,

उपर्युक्त विषयक प्रसंगाधीन पत्र के आलोक में सादर सूचित करना है कि महालेखाकार लेखापरीक्षा बिहार पटना के स्थानीय लेखा परीक्षा के वार्षिक प्रतिवेदन में उठायी गई आपतियों का कंडिकावार/वर्षवार-2015-16 से 2016-17 तक अनुपालन प्रतिवेदन साक्ष्य के साथ सलंगन कर भवदीय सेवा में समर्पित की जा रही है।

अनुलग्नक:- यथोपरि।

कृपया प्राप्ति स्वीकार की जाय।

विश्वासभाजन

कार्यपालक पदाधिकारी

नगर परिषद,भभुआ

ज्ञापांक.....857..... दिनांक.....17-11-2018.....

प्रतिलिपि:-सरकार के सचिव नगर विकास एवं आवास विभाग बिहार पटना को सादर सूचनार्थ समर्पित।

कार्यपालक पदाधिकारी

नगर परिषद,भभुआ



## कार्यालय-नगर परिषद,भभुआ

नगर परिषद भभुआ के वर्ष-2015-2016 से 2016-17 के लेखाओं पर आधारित निरीक्षण प्रतिवेदन

संख्या-738/17-18 उठाये गये अंकेक्षण आपतियों के विरुद्ध विभिन्न कंडिकाओं का अनुपालन प्रतिवेदन।

वर्ष	कंडिका सं०	कंडिका में उठाये गये विन्दुओं का उल्लेख	प्रतिवेदन
2015-2016 से 2016-17 तक	01.	भवन नक्शा श्रम सेस की वसूली नहीं। (राशि-रु 14.35 लाख)	इस कार्यालय पत्रांक 849 दिनांक-16.11.2018 एवं पत्रांक-855 दिनांक-17.11.18 के द्वारा वित्तीय वर्ष-2015-16 एवं 2016-17 में पारित भवन निर्माण संबंधित स्वीकृति करने का श्रम शेष वसूली हेतु श्रम विभाग के द्वारा वसूली की कार्रवाई की जा रही है। साक्ष्य के रूप में वित्तीय वर्ष 2015-16 के श्रम शेष वसूली हेतु निर्गत पत्र की छायाप्रति संलग्न की जा रही है।
	02.	बगैर सशक्त स्थायी समिति की स्वीकृति के कर्मों के वेतन का भुगतान किया जाना (राशि-रु 3.21 लाख)	इस संबंध में दिनांक-30.03.2015 को नगर परिषद बोर्ड के बैठक के प्रस्ताव सं०-02 में विभागीय निदेशानुसार मेन पावर कर्मियों के भुगतान हेतु सर्वसम्मति से पारित प्रस्ताव के आलोक में भुगतान करते हुए उक्त कर्मियों की सेवा वापस कर दी गई है। अतः उक्त साक्ष्य के आलोक में कंडिका 02 में उठाये गये आपति को विलोपित करने की कृपा की जाय।
	03.	3कम/नही जमा-(राशि-रु 0.37 लाख)	इस संबंध में श्री उज्जवल कुमार पाण्डेय कम्प्यूटर ऑपरेटर नगर परिषद भभुआ से कार्यालय पत्रांक-805 दिनांक-29.10.2018 के द्वारा अंकेक्षण आपति के आलोक में संबंधित राशि जमा होने से संबंधित साक्ष्य के साथ मांग की गई है।
	04.	अंकेक्षण के दौरान जमा की गई (राशि-रु 0.18 लाख)	इस संबंध में अंकेक्षण दल द्वारा उठाये गये आपति के आलोक में भविष्य में विलम्ब से संग्रहित राशि जमा किये जाने पर कठोर कार्रवाई की चेतावनी दी गई है। साक्ष्य के रूप में चेतावनी पत्र की संख्या-804 दिनांक-29.10.2018 को जारी पत्र की छायाप्रति संलग्न की जा रही है। अतः उक्त कंडिका को विलोपित करने की कृपा की जाय।
	05	फाईबर डस्टबीन एवं हैन्डट्राली की खरीद में त्रुटि राशि (राशि-रु 129.77 लाख)	1. फाईबर डस्टबीन एवं हैन्डट्राली की कय नियमानुकूल राज्य जनसम्पर्क विभाग (P.R.D) के माध्यम से वजापते विज्ञापन के द्वारा किया गया है। साक्ष्य के रूप में दैनिक सामाचार में प्रकाशित विज्ञापन की छायाप्रति संलग्न की जा रही है। जहाँतक बिहार वित्त नियमावली की धारा (H) 131 के नियमपालन का प्रश्न है इस संबंध में (P.R.D) अपने माध्यम से किन किन संस्थाओं को सूचित करेंगे। वह उनका एकल क्षेत्राधिकार में आता है। 2. इस संबंध में अंकेक्षण दल को प्रस्तुत संचिका में डस्टबीन

Attended  
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			<p>अधिष्ठापन का प्रमाण पत्र प्रस्तुत किया गया था साथ ही शेष सामग्रियों का प्रमाण स्वरूप भंडार पंजी के माध्यम से प्रस्तुत किया गया है। साक्ष्य के रूप में भंडार पंजी के अंकित सामग्रियों का प्रमाण पत्र की छायाप्रति संलग्न की जा रही है।</p> <p>अतः उक्त कंडिका को विलोपित करने की कृपा की जाय।</p>
06.	एल.ई.डी. स्ट्रीट लाईट/हाई मास्ट लाईट की खरीद में त्रुटि (राशि-रु56.88 लाख)	<p>1. एल0ई0डी0 स्ट्रीट लाईट/हाईमास्ट लाईट की खरीद में अंकेक्षण दल द्वारा उठाये गये आपति के अनुपालन में कहना है कि दैनिक सामाचार पत्रों कमशः प्रभात खबर एवं दैनिक जागरण दैनिक सामाचार पत्रों में निविदा का प्रकासन हुआ है जो कमशः 23.07.2015 एवं 24.07.2015 के है साक्ष्य के रूप में प्रकाशित निविदा का दैनिक सामाचार पत्रों की छायाप्रति साक्ष्य के रूप में संलग्न की जा रही है।</p> <p>2. जहाँ तक भंडार पंजी का उल्लेख किया गया है वह अंकेक्षण दल को वाजपते संचिका प्रमाण स्वरूप प्रत्येक वार्डों में अधिष्ठापन से संबंधित सत्यता का प्रमाण पत्र निर्वाचित वार्ड पार्षदों के द्वारा सत्यापन किया गया था। उक्त सामग्री का ईद्राज भंडार पंजी में किया गया है वो प्रस्तुत भी किया गया है जो साक्ष्य के रूप में भंडार पंजी एवं वार्ड पार्षदों के द्वारा दिया गया प्रमाण पत्र का छायाप्रति संलग्न किया जा रहा है। जहाँ तक बिहार वित्त नियमावली की धारा 131 (H) का उल्लेख किया गया है। वह कंडिका 05 में वर्णित है।</p> <p>अतः उक्त कंडिका को विलोपित करने की कृपा की जाय।</p>	
07.	मुद्रांक शुल्क की राशि संबंधित शीर्ष में जमा नहीं (राशि-रु 0.93 लाख)	<p>इस संबंध में कार्यालय पत्रांक-853 दिनांक-17.11.2018 के द्वारा दिये गये निदेश के आलोक में मुद्रांक शुल्क की राशि संबंधित शीर्ष में मो0 0.93 लाख जमा हेतु आदेश दिया गया है। उक्त आदेश के आलोक में रोकड़पाल नगर परिषद् भभुआ के द्वारा चेक सं0-A840541 दिनांक-17.11.2018 के द्वारा संबंधित शीर्ष में जमा कर दिया गया है। साक्ष्य के रूप में चेक की छायाप्रति संलग्न की जा रही है।</p> <p>अतः उक्त कंडिका का विलोपन साक्ष्य के आलोक में करने की कृपा की जाय।</p>	
08.	बंदोवस्ती में राजस्व की हानि (राशि-रु 0.93 लाख)	<p>जहाँ तक बंदोवस्ती में राजस्व की हानि का विषय है इस सन्दर्भ में दिनांक-30.03.2015 को नगर परिषद् बोर्ड के बैठक के प्रस्ताव सं0-04 में लिए गये निर्णय के आलोक में टीन टीकट में बैल गाड़ी टमटम इत्यादि साथ ही ताड़ के पेड़ पर से हो रहे सैरात बंदोवस्ती को भी वित्तिय वर्ष-2015-16 से रदद कर दिया गया है। साक्ष्य के रूप में उक्त बोर्ड में लिए गये प्रस्ताव की छायाप्रति संलग्न की जा रही है।</p> <p>अतः उक्त कंडिका का विलोपन साक्ष्य के आलोक में करने की</p>	

Attended



			कृपा की जाय।
	09.	विलम्ब शुल्क की कटौती नहीं करने से अधिक भुगतान (राशि-रु 0.65 लाख)	<p>योजना संख्या-26/2016-17 योजना का नाम भभुआ चैनपुर रोड से अशोक सिंह के घर तक पी0सी0सी0 रोड एवं नाली निर्माण वार्ड नं0-03 भभुआ के संन्दर्भ में में कहना है कि कार्यादेश की तिथि से कार्य पूर्ण करने के तिथि के अन्दर ही योजना पूर्ण संवेदक द्वारा कर ली गई थी। जहाँ तक भुगतान विलम्ब होने का विषय है नगर परिषद् में कार्यरत कनीय अभियंता नरेन्द्र कुमार सिंह के द्वारा उक्त कार्य का अनुश्रवण किया जा रहा था जो दुर्भाग्यवश उनकी सड़क दुर्घटना में मृत्यु हो गई थी। इस संबंध में अंकेक्षण दल को अवगत भी कराया गया था। नगर परिषद् भभुआ में दूसरे कनीय अभियंता की प्रतिनियुक्ति में हुई विलम्ब के कारण मापी पुस्तिका कार्यालय में आने में विलम्ब हुई जिसके कारण भुगतान की कार्रवाई में विलम्ब हुई है। स्व0 नरेन्द्र कुमार सिंह कनीय अभियंता नगर परिषद् भभुआ की मृत्युप्रमाण पत्र की छायाप्रति साक्ष्य के रूप में संलग्न की जा रही है।</p> <p>अतः उक्त कारण एवं साक्ष्य के आलोक में कंडिका में उठाये गये विन्दुओं को विलोपित करने की कृपा की जाय।</p>
	10.	योजना में अनियमित /अधिक भुगतान (राशि-रु 1.21 लाख)	<p>इस संबंध में कहना है कि जहाँ तक योजना में अनियमित/अधिक भुगतान की आपति अंकेक्षण दल द्वारा उठायी गई है। बी0ओ0क्यु में प्रावधानित <del>रु</del> में किसी सामग्री के स्थल पर कार्य की आवश्यकतानुसार वही बढी हुई है एवं किन्ही सामग्री में <del>किस</del> व्यय भी हुआ है। इस योजना अन्तर्गत एकरारनामा राशि से एक रुपया अधिक भुगतान नहीं किया गया है। इस प्रकार अधिक राशि 50880.00 रुपये का उल्लेखित राशि का अधिक व्यय किसी प्रकार से नहीं किया गया है।</p> <p>अतः उक्त कंडिका को विलोपित करने की कृपा करने की कृपा की जाय।</p>
	11.	मोबाईल टावरों पर बकाया राशि (राशि रु 102.00 लाख)	मोबाईल टावर के बकाया वसूली हेतु मोबाईल टावर के स्वामियों को नोटिस जारी किया गया है। साक्ष्य के रूप में नोटिस तामिला की छायाप्रति इस पत्र के साथ संलग्न की जा रही है।
	12.	अव्यवह/अवरोधित राशि ( राशि रु 34.78 लाख)	<p>रैपिड की जै ली है</p>
	13.	अग्रिम की राशि का समायोजन नहीं (राशि-रु 2.00 लाख)	अग्रिम राशि रु0 2.00 लाख में 1.00 लाख की राशि की अग्रिम का सामायोजन कर लिया गया है। 1.00 लाख की सामायोजन हेतु कार्रवाई की जा रही है।

Attended



	14.	राष्ट्रीय शहरी आजिविका मिशन के तहत विभिन्न स्वयं सहायता समूह को प्रदान राशि (राशि-रु 1.10 लाख)	नैजारी की जा रही है।
	15.	31.03.2017 को रोकड़बही एवं बैंक पासबुक का अंतशेष की विवरणी	नैजारी की जा रही है।



3  
17/11/17  
कार्यपालक पदाधिकारी  
नगर परिषद, भुवना

**Form BUD - 3 (BMAR FORM 77)**  
Name of the Municipality

**SUMMARY OF BUDGET FOR THE PERIOD**

SL NO	PARTICULARS		Actuals for the previous year 2014-15	Budget Estimate for the current year 2015-16	Actuals upto February of the current year 2015-16	Revised Budget Estimate for the current year 20____	Budget Estimate for 2016-17
<b>A</b>	<b>OPENING CASH &amp; BANK BALANCE</b>	<b>प्रारंभिक शेष रोकड़ एवं बैंक</b>					
	Cash & Bank balances (Major code 47)	शेष रोकड़ एवं बैंक (मुख्य शीर्ष 47)	10,56,45,552	9,00,00,000	15,55,36,274	15,55,36,274	9,00,00,000
<b>(ADD)</b>	<b>RECEIPT</b>						
<b>B1</b>	Revenue Receipts	राजस्व प्राप्तियां	9,28,33,280	22,23,47,284	9,29,92,950	-	27,07,86,100
<b>B2</b>	Capital Receipts	पूँजीगत प्राप्तियां	6,16,38,895	36,27,50,000	9,08,63,969	-	28,75,00,000
<b>B (B1+B2)</b>	<b>TOTAL RECIEPT</b>	<b>कुल प्राप्ति</b>	15,44,72,175	58,50,97,284	18,38,56,919	-	55,82,86,100
<b>(LESS)</b>	<b>PAYMENT</b>	<b>पूँजीगत लेखा</b>					
<b>C1</b>	Revenue Payments	राजस्व भुगतान	4,99,74,782	19,69,02,247	1,97,84,138	55,25,000	4,77,93,500
<b>C2</b>	Capital Payments	पूँजीगत भुगतान	5,46,06,671	39,91,00,000	6,41,65,082	3,50,000	28,53,50,000
<b>C(C1+C2)</b>	<b>TOTAL PAYMENT</b>	<b>कुल भुगतान</b>	10,45,81,453	59,60,02,247	8,39,49,220	58,75,000	33,31,43,500
<b>D (A+B-C)</b>	Closing Cash & Bank balances(Major code 47)	अंतिम रोकड़ एवं बैंक शेष	15,55,36,274	7,90,95,037	25,54,43,973	14,96,61,274	31,51,42,600



**Form BUD - 3 (BMAR FORM 77)**  
Name of the Municipality

**SUMMARY OF BUDGET FOR THE PERIOD**

SL NO	PARTICULARS		Actuals for the previous year 2015-16	Budget Estimate for the current year 2016-17	Actuals upto February of the current year 2016-17	Revised Budget Estimate for the current year 20____	Budget Estimate for 2017-18
<b>A</b>	<b>OPENING CASH &amp; BANK BALANCE</b>	<b>प्रारंभिक शेष रोकड़ एवं बैंक</b>					
	Cash & Bank balances (Major code 47)	शेष रोकड़ एवं बैंक (मुख्य शीर्ष 47)	105645552	90000000	242635272	242635272	90000000
<b>(ADD)</b>	<b>RECEIPT</b>						
<b>B1</b>	Revenue Receipts	राजस्व प्राप्तियां	102188832	254606000	114936717	0	285913940
<b>B2</b>	Capital Receipts	पूँजीगत प्राप्तियां	100752980	277000000	36551085	3500000	281000000
<b>B (B1+B2)</b>	<b>TOTAL RECIEPT</b>	<b>कुल प्राप्ति</b>	202941812	531606000	151487802	3500000	566913940
<b>(LESS)</b>	<b>PAYMENT</b>	<b>पूँजीगत लेखा</b>					
<b>C1</b>	Revenue Payments	राजस्व भुगतान	22054085	138320000	16109153	9745000	46170500
<b>C2</b>	Capital Payments	पूँजीगत भुगतान	43898007	165150000	59729502	7000000	247800000
<b>C(C1+C2)</b>	<b>TOTAL PAYMENT</b>	<b>कुल भुगतान</b>	65952092	303470000	75838655	16745000	293970500
<b>D (A+B-C)</b>	Closing Cash & Bank balances(Major code 47)	अंतिम रोकड़ एवं बैंक शेष	242635272	318136000	318284419	229390272	362943440



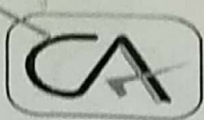
Form BUD - 3 (BMAR FORM 77)

नगर पार्षद, भुआ

SUMMARY OF BUDGET FOR THE PERIOD

SL NO	विवरण (PARTICULARS)	विवरण	गत वर्ष 2016-17 का वास्तविक (Actual for the previous year 2016-17 )	चालू वर्ष 2017-18 का बजट (Budget Estimate for the current year 2017-18)	चालू वर्ष 2017-18 का वास्तविक, दिसम्बर तक (Actual upto December of the current year 2017-18)	वर्ष 2018-19 बजट अनुमान (Budget Estimate for 2018-19)
<b>A</b>	<b>OPENING CASH &amp; BANK BALANCE</b>	प्रारंभिक शेष रोकड़ एवं बैंक	24,82,25,026	25,79,29,195	25,79,29,195	17,89,82,505
	Cash & Bank balances (Major code 47)	शेष रोकड़ एवं बैंक (मुख्य शीर्ष 47)				
<b>(ADD)</b>	<b>RECEIPT</b>					
<b>B1</b>	Revenue Receipts	राजस्व प्राप्ति	3,01,64,579	5,20,23,808	3,33,08,319	10,64,19,413
<b>B2</b>	Capital Receipts	पूँजीगत प्राप्ति	10,19,85,923	11,83,15,571	2,77,09,402	34,43,64,711
<b>B (B1+B2)</b>	<b>TOTAL RECEIPTS</b>	कुल प्राप्ति	13,21,50,502	17,03,39,378	6,10,17,721	45,07,84,124
<b>(LESS)</b>	<b>PAYMENT</b>	पूँजीगत लेखा				
<b>C1</b>	Revenue Payments	राजस्व भुगतान	2,60,50,457	7,07,37,177	5,57,56,085	11,72,33,800
<b>C2</b>	Capital Payments	पूँजीगत भुगतान	9,63,95,876	9,72,24,441	8,42,08,326	12,45,54,688
<b>C(C1+C2)</b>	<b>TOTAL PAYMENT</b>	कुल भुगतान	12,24,46,333	16,79,61,618	13,99,64,411	24,17,88,488
<b>D (A+B-C)</b>	<b>Closing Cash &amp; Bank balances(Major code 47)</b>	अंतिम रोकड़ एवं बैंक शेष	25,79,29,195	26,03,06,955	17,89,82,505	38,79,78,142





To,  
 The Municipal Commissioner,  
 Bhadda Municipal Corporation  
 , Bihar

Sub: Documents/information required for conducting Internal Audit for the F.Y - 2018-19  
 Ref: No. 07/I.A. 115/17-83 Dated: 16-01-2019

2017-18

Sir,

We are pleased to inform you that we **Vinod Singhal & Co., Chartered Accountants** are appointed as internal auditor of your ULB by the UD & HD under the assignment namely "**Selection of Chartered Accountant Firms for Internal Audit of 140 ULBs of Bihar**".

Your good self is therefore requested to direct your good team towards provide the documents till 10<sup>th</sup> July 2019  
 The list of such required documents is given below:

Sl. No.	Documents/Registers Required	Status	Responsible Person
1	Budget copy of F.Y 19-20 (In Soft and Hard Copy)		
2	Latest statutory audit report of A.G/ memo with compliance report		
3	Internal audit report (F.Y. 2017-18) in hard as well as in soft copy		
4	Receipt & payment account (FY 2018-19)		
5	Audited balance sheet and Income & Expenditure Account (FY 2018-19)		
6	Cash Book		
7	Bank Book		
8	Journal Book		
9	Ledger		
10	Cash/Bank receipt voucher		
11	Cash/ Bank payment voucher		
12	Contra voucher		
13	Journal voucher		
14	Receipt (Daily collection register)		
15	Register of Cheque Received		
16	Statement on status of cheque received		
17	Collection register		
18	Memorandum of collection		
19	Summary of Daily collection		
20	Register of bills for payment		
21	Payment order		
22	Cheque issue register		
23	Register of advance		
24	Register of permanent advance		
25	Deposit received register		
26	Summary statement of deposits adjustment		



**Patna Office:** 510, Sumati Palace, Opposite Alankar Jewellers, Boring Road, Patna-800001 Bihar

**Head Office:** 207, 222, IInd Floor, Ganpati Plaza, M.I. Road, Jaipur-302001 Rajasthan

**Branches:** New Delhi | Kolkata | Lucknow | Patna | Jamshedpur | Ahmedabad | Raipur | Udaipur | Bharatpur |



26	Summary statement of deposits adjustment		
27	Demand register		
28	Bill of Income		
29	Summary Statement of Bill Raised		
30	Register of Notice Fee, Warrant Fee, other fees		
31	Summary statement of Notice Fee, Warrant Fee, other fees		
32	Register of Refunds, Reemissions and write offs		
33	Summary statement of Refund and Remissions		
34	Summary statement of Write offs		
35	Statement of outstanding liability for expenses		
36	Documents of control Register/ Stock Account of Receipt/Cheque Book		
37	Fixed Assets Register For the FY 2018-19		
38	List of Taxes Collected by ULB		
39	Arrear Detail of all applicable taxes		
40	Detail of Allotment Received during the year 2018-19		
41	Detail of Pending Advance Recovery from Employee and Parties		
42	Detail of Pending Interest Recovery from Employee and Parties		
43	List of Tender issued during the year		
44	EMD/ ED register		
45	Receipt Book of Revenue Collection		
46	Bank Deposit Slip		
47	Summary statement of bills raised, property & other taxes		
48	Summary statement of demand adjustments raised, property & other taxes		
49	Summary statement of head wise collection of property & other taxes		
50	Summary statement of refunds and remissions, property & other taxes		
51	Summary statement of write offs, property & other taxes		
52	Summary statement of demand raised on assessment of Water Supply		
53	Summary statement of head wise collection of other incomes of Water Supply		
54	Summary statement of refunds of Water Supply		
55	Summary statement of write offs of Water Supply		
56	Summary statement of demand raised		



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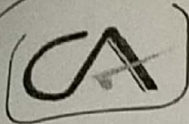
	collection of other incomes		
58	Summary statement of refunds of rentals, fee, & other income		
59	Summary statement of write offs of rentals, fee, & other income		
60	Grant register		
61	Summary statement of status of capital work in progress		
62	Work sheet		
63	Deposit work register		
64	Materials receipt note		
65	Store ledger		
66	Statement of closing stock		
67	Quarterly Bank Statement for the period 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
68	Balance Confirmation from Parties as on 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
69	BRS of all bank accounts (Including Dormant account) (Quarterly)		
70	Vouchers of all Payment and Procurements		
71	Minutes of Meeting of Municipal Accounting committee		
72	Minutes of meeting of accounting committee		
73	Physical verification report of cash and stock		
74	Details Repayment of Loan		
75	TDS Deposit Challan (of Each Month ) & Copy of Return 24Q and 26Q for the period ended 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
76	VAT deposit challan & copy of return for the period ended 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
77	Month wise PF Details (deduction & deposit)		
78	Details of pension		
79	<b>Details of Outstanding an on 31.03.2019</b>		
	a. Mobile tower		
	b. Property tax		
	c. Water tax		
	d. Rent		
	e. Advertisement		
	f. Any other tax		
80	Utilization certificate - Submitted to UDHD Department		
81	Salary Register/Master Roll		



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**Vinod Singhal & Co.**

CHARTERED ACCOUNTANTS

Further your good self is requested to appoint any of your staff towards filed survey with us for determining 20 high value property situated in your area.

The list is not exhaustive. Further documents required during the audit shall be demanded accordingly. Your co-operation is solicited for smooth conduct of the assignment and hence, please submits the above-mentioned documents before us as early as possible.

Thank you

For Vinod Singhal & Co.  
Chartered Accountants

CA Rahul Kumar Shrivastwa



Date: 26<sup>th</sup> - June-2019

Place: Patna

*Handwritten signature*  
29/6/19

**Patna Office:** 510, Sumati Palace, Opposite Alankar Jewellers, Boring Road, Patna-800001 Bihar

**Head Office:** 207, 222, IInd Floor, Ganpati Plaza, M.I. Road, Jaipur-302001 Rajasthan

**Branches:** New Delhi, Kolkata, Lucknow, Patna, Jamshedpur, Ahmedabad, Rajpur, Udaipur, Bhopal

## ANNEXURE -4

## BHABHUA ULB TOWER TAX OUTSTANDING DETAILS AS ON 31.03.2018

S.N O	NAME OF TOWER OF COMPANY	ESTABLISHMENT	TOTAL OUTSTANDING
1	TATA TELE SERVICE LTD	2007-08	923670
2	IDEA	Apr-08	567840
3	WIRELESS TT INFO SERVICE LTD	Aug-09	481600
4	RELIANCE JIO	Feb-16	9000
5	AIRCEL	Sep-07	419850
6	ADITYA TELECOM PVT LTD (IDEA)	2008-09	565680
7	BSNL	2007-08	705920
8	BHARTI INFRA TEL LTD	Jul-07	883670
9	IDEA	May-08	380550
10	EXCEL TELCOM	Apr-08	330550
11	ATC INDIA TOWER CORPORATION PVT LTD	APRIL 2008-09	787210
12	BHARTI INFRA TEL LTD	Jul-08	314900
13	BHARTI AIRTEL LTD	Apr-07	379850
14	WIRELESS TT INFO SERVICE LTD	29-Aug-09	842800
15	WIRELESS TT INFO SERVICE LTD	Sep-09	567840
16	TARAND SCAND INFRA STRACTURE LTD	Feb-09	567840
17	AIRCEL	Oct-07	671760
18	BHARTI INFRA TEL LTD (AIRTEL)	Apr-05	1884230
		TOTAL	11284760



Total outstanding with interest

1  
Rr  
09.07.19



NAGAR PARISHAD BHABHUA KAIMUR									
Urban Development & Housing Departmnet									ULB
			<u>Revenue</u> <u>(Holding</u> <u>Tax)</u>		<u>financial year-2017-2018</u>				MARCH-2018
<u>Name of ULBs</u>		NAGAR PARISHAD BHABHUA KAIMUR						Unit-In Lacs	
Sl. No.	Total No. of Holding	Demand			Collection			Percentage	Remarks
		Arrear	Current	Total	Arrear	Current	Total		
					(Collection Before this Month)	(Collection in this month)			
1	3	4	5	6	7	8	9	10	11
1	6317	2862612.00	3500000.00	6362612.00	5736261.00	482312.00	6218573.00	97.73%	



## NAGAR PARISHAD BHABHUA KAIMUR

Urban Development &amp; Housing Department

MARCH-2018

## Status of Utilisation Certificate

Unit-In Lacs

SI No	Name of ULB	Name of Schemes	Financial Year	Total Allotted Amount	Total Utilisation Amount	Balance	UC Submitted to Department (Utilised amount)	Reference of UC Submitted (Letter No/Date)	Remarks
1	2	3	4	5	6	7	8	9	10
1	Nagar Parishad bhabhua	52,53,54/19.03.2012	2011-2012	12991389.00	12991389.00	Nil	Submitted	3941 UD&HD PATNA DATE- 16.12.2014	
2	Nagar Parishad bhabhua	67/04.03.2013	2012-2013	10400302.00	8195028.00	1809274.00	Submitted		
3	Nagar Parishad bhabhua	102/15.03.2014	2013-2014	15658946.00	6006595.00	9652351.00	Submitted		
4	Nagar Parishad bhabhua	4713/17.08.2010	2009-2010	1600000.00	1600000.00	Nil	Submitted		
5	Nagar Parishad bhabhua	4968/19.09.2008	2008-2009	250000.00	250000.00	Nil	Submitted		
6	Nagar Parishad bhabhua	1398/30.03.2007	2006-2007	3879075.00	3879075.00	Nil	Submitted		
7	Nagar Parishad bhabhua	2031/20.04.2010	2010-2011	126000.00	126000.00	Nil	Submitted		
8	Nagar Parishad bhabhua	22/31.08.2012	2011-2012	690000.00	690000.00	Nil	Submitted		
9	Nagar Parishad bhabhua	459/05.02.2004	2003-2004	179730.00	179730.00	Nil	Submitted		
10	Nagar Parishad bhabhua	460/05.02.2004	2003-2004	239640.00	239640.00	Nil	Submitted		



11	Nagar Parishad bhabhua	3167/26.09.2005	2005-2006	75619.00	75619.00	Nil	Submitted		
12	Nagar Parishad bhabhua	1075/29.03.2006	2005-2006	154128.00	154128.00	Nil	Submitted		
13	Nagar Parishad bhabhua	1617/27.03.2008	2008-2009	1006968.00	1006968.00	Nil	Submitted		
14	Nagar Parishad bhabhua	1340/03.03.2004	2003-2004	794279.00	794279.00	Nil	Submitted		
15	Nagar Parishad bhabhua	3515/19.09.2006	2006-2007	425000.00	425000.00	Nil	Submitted		
16	Nagar Parishad bhabhua	460/05.02.2004	2003-2004	179730.00	179730.00	Nil	Submitted		
17	Nagar Parishad bhabhua	5263/26.11.2007	2007-2008	1155996.00	1155996.00	Nil	Submitted		
18	Nagar Parishad bhabhua	857/21.02.2008	2007-2008	1839000.00	1839000.00	Nil	Submitted		
19	Nagar Parishad bhabhua	36/25.01.2012	2011-2012	126000.00	78700.00	47300.00	Pending		
20	Nagar Parishad bhabhua	22/31.08.2012	2012-2013	690000.00	690000.00	Nil	Submitted		
21	Nagar Parishad bhabhua	4535/29.08.2008	2008-2009	126000.00	84300.00	41700.00	Pending		
22	Nagar Parishad bhabhua	05/09.02.2009	2008-2009	3858250.00	3858250.00	Nil	Submitted		
23	Nagar Parishad bhabhua	49/12.03.2012	2011-2012	2049000.00	2049000.00	Nil	Submitted		
24	Nagar Parishad bhabhua	61/53 19.03.2012	2011-2012	5000000.00	5000000.00	Nil	Submitted		
25	Nagar Parishad bhabhua	3115/21.08.2006	2006-2007	680459.00	680459.00	Nil	Submitted		
26	Nagar Parishad bhabhua	5674/19.12.2007	2007-2008	2013935.00	2013935.00	Nil	Submitted		



27	Nagar Parishad bhabhua	26/16.03.2010	2009-2010	1947272.00	1947272.00	Nil	Submitted		
28	Nagar Parishad bhabhua	1338/17.03.2010	2009-2010	831820.00	831820.00	Nil	Submitted		
29	Nagar Parishad bhabhua	1824/30.03.2011	2010-2011	2000000.00	2000000.00	Nil	Submitted		
30	Nagar Parishad bhabhua	166/26.03.2011	2010-2011	5924609.00	5924609.00	Nil	Submitted		
31	Nagar Parishad bhabhua	95/17.08.2010	2010-2011	1600000.00	1600000.00	Nil	Submitted		
32	Nagar Parishad bhabhua	15/23.08.2012	2012-2013	2000000.00	2000000.00	Nil	Submitted		
33	Nagar Parishad bhabhua	1837/30.03.2011	2010-2011	1600000.00	1600000.00	Nil	Submitted		
34	Nagar Parishad bhabhua	60/08.02.2013	2013-2014	11000000.00	148781.00	9512188.00	Submitted		
35	Nagar Parishad bhabhua	65/07.02.2014	2014-2015	13121000.00	3383967.00	9737033.00	Submitted		
36	Nagar Parishad bhabhua	3191/28.09.2005	2005-2006	962767.00	962767.00	Nil	Submitted		
37	Nagar Parishad bhabhua	16/24.07.2014	2014-2015	126000.00	126000.00	Nil	Submitted		
38	Nagar Parishad bhabhua	01/03.04.2012	2012-2013	1327000.00	1327000.00	Nil	Submitted		
39	Nagar Parishad bhabhua	85/28.02.2014	2014-2015	8000000.00	2402841.00	5597159.00	Submitted		
TOTAL ;-				116629914.00	78497878.00	36397005.00			





**510, SUMATI PALANCE, OPPOSITE ALANKAR  
JEWELERS, BORING ROAD, PATMA-800001**

