

INTERNAL AUDIT REPORT
OF

NAGAR PANCHAYAT

ROSERA (SAMASTIPUR)

For the period from 01.04.2014 to 31.03.2015

Internal Audit Conducted by:
M/S RAJEEV R MISHRA & CO.
CHARTERED ACCOUNTANTS

BALBHADARPUR, LAHERIASARAI TOWER

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M. R. Mishra





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NAGAR PANCHAYAT – ROSERA (SAMASTIPUR)
INTERNAL AUDIT REPORT OF F.Y.2014-15

Internal Audit Report- Nagar Panchayat - Rosera

Internal Audit Report of Financial year 2014- 2015

Section A: Audit Procedure

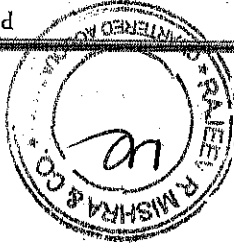
This internal audit report (Hereinafter referred to as "report") has been issued as a part of our engagement for internal audit for the period ended on 1st April 2014 to 31st March 2015. The ULB (Nagar Panchayat, Rosera) is a wing of Urban Development and Housing Department, Government of Bihar and we have carried out the Internal Audit as per the appointment letter issued by the management of Support Programme for Urban Reforms in Bihar (SPUR), Patna. Vide the Notice to Proceed (NTP) Number : **SPUR-PMU/194/IA-140 ULBs & SLMA/G-11/RM/2016/132/31 Dated 5th April 2016.**

We have conducted our audit in accordance with the Standards on Internal Auditing (SIA) issued by the Institute of Chartered Accountants of India. These Standards require that we plan and perform the internal audit in such manner so that to cover all the scope, coverage and resources including planning every aspect of the organisation as per the Terms of Reference and to the extent as provided in the scope of Internal Audit. Besides, this being an internal audit, it also covers the extensive scope as specified by the management of the Organisation in the engagement letter.

The Salient Points of the scope covered by our internal audit are as follows:

1. Evaluation of internal controls as discussed in Bihar internal control manual.
2. Compliance of Bihar Municipal Act related Rules and Regulations.
3. Compliance of Bihar Municipal Accounting Manual, BMAR- 2014 and Bihar Municipal Budget Manual.
4. Reporting on All Major own Revenue Losses.
5. Survey Report on at least 20 high Value Property in the Town.
6. Vouching of All Payments Above Rs. 10,000/-.
7. Report on Procurement made through Tender For value Above Rs. 15,000/-.
8. Appraisal of the effectiveness of overall accounting system.

Moreover, our scope of examination also covered the requirements of the specific points as spelled out by the management of UD&HD. The result and recommendations of our internal audit are set out in scope of audit and where ever required, in annexures forming integral part of our report.



Internal Audit Report- Nagar Panchayat - Rosera

We have conducted the Internal Audit with the objective:-

- ❖ That The Assets of the ULB are be properly protected and accounted form.
- ❖ That Current Transaction are promptly and completely recorded.
- ❖ That Inefficient or fraudulent operations are revealed.

We Started with an overview of activities through a study on various documents generated by the ULB. We then identified Evaluated and tested adequacy, effectiveness and efficiency of internal controls including standard policies and procedure laid down by the management for each of the areas included in the scope of work.

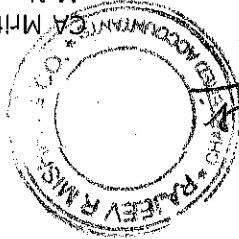
Testing of internal control was carried out by the checking a sample of translations for the period covered under the audit.

Our Observations resulting from the audit test performed on a sample of transactions along with suggested recommendation for addressing these observations are set out under Part (A), Part (B) and Part (C) of the audit report.

During the audit we reviewed the following Registers and Documents.

- ❖ Accountant cash Book
- ❖ Subsidiary Cash Book
- ❖ Bank Book
- ❖ DCR
- ❖ Vouchers along with supporting documents.
- ❖ Others related records and registers.

For
Rajeev R Mishra & Co.
Chartered Accountants



M. No. - 535789
Contact No - 9835156869
CA Mritunjay Kumar

Executive Summary

1. Introduction

Name of the Municipality	NAGAR PANCHAYAT ROSERA (SAMASTIPUR)
Period Covered under Current Audit	01.04.2014 to 31.03.2015
Name of the Executive Officer of the ULB	MR. SANJAY KUMAR (roseranagarpanchayat.rosera@gmail.com)
Name of Chairman of the ULB	MR. RENU DEVI
Name of Vice-Chairman of the ULB	MR. SATYENDRA KUMAR NYAK

2. Results and Findings

<p>Strength observed during the audit engagement</p> <ol style="list-style-type: none"> 1. General Cash Book has been prepared. 2. Subsidiary Cash Books have been written. 3. Annual Budget has been prepared. 4. Daily collection register have been prepared. 	<p>Weakness observed in the functioning of office, maintenance of records etc. observed during the audit engagement.</p> <ol style="list-style-type: none"> 1. We observe under collection of tower tax. Total 14 Mobile Towers of different companies are operating under the ULB. No information in respect of additional antenna on each tower has been provided to us. Total Dues has been Rs.24.62 Lakh Ex- interest upto 31.03.2015. 2. Bank Book for PL account and Other Bank Account have not been prepared. 3. Royalty and labour Cess has not been Deposited on Date. 4. Bank Reconciliation Statements are not prepared. 5. There is lack of internal control on deduction and deposit of various tax such as VAT, Royalty, and Income Tax. These are collected from time to time but its returns are not filed on timely basis which is not proper. 6. ULB does not follow Double Entry Accounting System. 7. As per BMA, 2007 financial statement such as Balance Sheet, Income and Expenditure Account and Receipt and Payments account are required to be prepared and get approved from the board on annual basis but we observe that these have not been prepared. 8. Fixed Assets Register is not maintained by the ULB.
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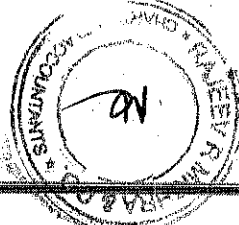
<p>9. During the audit we observe that there is under collection of holding tax. We have not been able to quantify the arrear of holding tax because Demand collection Register has not been provided to us.</p> <p>10. Stock Registers for moveable and immovable items are not maintained by the ULB.</p> <p>11. The ULB does not maintain a separate PF register.</p> <p>12. There are lack of internal control with respect to collection of revenues from own resource during the FY 2014-15. Tender/Bandobasti for public toilet, hoarding or advertisement are not being executed.</p> <p>13. No Separate Grant register is being maintained, hence it is difficult to find out the amount of unutilised grant at any point of grant.</p> <p>14. Amount Collected by the tax collector are not deposited on daily basis.</p> <p>15. Log Book for Motor Vehicle have not been maintained.</p> <p>16. Preparation of updated details of UCS send to Department is in process.</p>	
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3. Opinion.

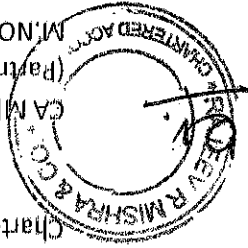
<p>Strength:-</p> <ol style="list-style-type: none"> 1. Book of accounts are verified by EO on regular interval. 2. Budgets have been prepared and Approved by the Board every year. <p>Weakness:-</p> <ol style="list-style-type: none"> 1. No Financial Statements such B/S, I&E A/c and R&P A/C have been prepared by the ULB since its inception. 2. Most of the Books of Accounts as prescribed by BMAR are not maintained. 3. ULB does not follow DEAS. 4. Collection of Own Sources is very poor. 5. There are serious lapses in timely deposit and return-filing of statutory dues, such as VAT, Royalty, TDS, Labour Cess Etc. 	<p>Overall opinion of the audit team about the functioning of the municipality</p>
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4. Audit Recommendations:-

<p>Recommendation:-</p> <ol style="list-style-type: none"> 1. Financial Statement for every year such as B/S, I&E A/C, R&P A/C should be prepared. 2. Separate Summarised Holding tax Demand and collection register should be prepared immediately. 	<p>The Recommendation of audit team on the observed weakness.</p>
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for,
 M/S Rajeev R Mishra & CO,
 Chartered Accountants
 CA MRITUNJAY KUMAR
 (Partner)
 M.NO:- 535789



M. Rajeev

Place:- Darbhanga
 Date:- 22nd MAY 2016

We thank Mr. SANJAY KUMAR (Executive Officer), for his support during the period of our audit. We are also thankful to accountant and other support staff of the Nagar Panchayat for their co-operation extended to us during the period of audit.

11. Acknowledgment :-

Executive Officer
Rosera Nagar Panchayat

For Nagar Panchayat Rosera
Sd/-
 22/5/16
 (Executive Officer.)

The audit report has been discussed with us, we will try or best to remove the irregularities pointed out in the audit report.

5. Comment from management:-

<p>3. Fixed Assets Register should be prepared. 4. Updated stock Register should be prepared. 5. Grant wise Utilization Certificate should be prepared. 6. BRS should be prepared on Monthly Basis. 7. NP should follow DEAS as soon as possible and should maintained books of accounts and register as prescribed by BMAR.</p>	
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Year	2012-13	2013-14	2014-15
Final/ Revised	35,97,64,164.00	24,67,05,578.00	50,61,59,014.00
Budget			
Actual Expenditure	1,60,61,134.00	8,55,47,604.00	1,16,78,770.00
Saving(+)/ Excess(-)	34,37,03,030.00	16,11,57,974.00	49,44,80,244.00

i) Budgetary Provisions and Expenditure for the last Three Years

4. Finance:

S.No	Particulars of Audit and Audit paras	Total No of Audit Paras	Total No of Audit Paras where necessary improvement/ recovery of cash is required	Total no of Audit Paras where recovery of cash is required	Total No of Audit Paras where recovery has been made	Total Amount of Recovery	Total no of Outstanding Para where no action has been taken	Date of Compliance Report	No and
1.									
2.									
3.									
4.									
5.									

3. Review of outstanding audit paras: Status of Audit Observations is as under:

Smt. Renu Devi, Chairman, From 2012 to Till Date and Mr. Sanjay Kumar, Executive officer, From 28-03-2016 to Till Date.

key administrative and executive positions was as under:

The present body of the ULB has taken charge in 2012. The incumbency in the

2. Administration:

- i) CA Mritunjay Kumar
- ii) Dilip Kumar Karn

Ranjan :-

The internal audit of NAGAR PANCHAYAT ROSEERA (SAMASTIPUR) covering the period from 1st April 2014 to 31st March 2015 was conducted by following persons under guidance of CA. Rajeev

1. Introduction:

Detail Audit Report:-

Internal Audit Report- Nagar Panchayat - Roseera 2014-15

ii) Volume of Transaction:

Period	Budgeted	Previous Year (for one Year) 2013-14	Corresponding period of previous year	Current Period 2014-15	Cumulative for the Current Period
Opening Balance	NA	3,70,53,839.38		10,50,77,501.38	
Receipts		15,35,71,266.00		2,52,37,290.00	
Total		19,06,25,105.38		13,03,14,791.38	
Net Expenditure		8,55,47,604.00		1,16,78,770.00	
Closing Balance		10,50,77,501.38		11,86,36,021.38	

iii) Bank Reconciliation:-

Detail of Bank Accounts and their reconciliation position are as under:

S.No	Name of Bank	Account No.	Balance as on 31.03.2015	Name of Scheme	Reconciliation Position
1.	PNB	6406000100029228	1,53,943.50	Revenue	No BRS
2.	PNB	6406000100029237	47,35,904.00	13 th Finance	No BRS
3.	PNB	6406000100029219	40,64,883.00	Rajya Yojna	No BRS
4.	PNB	6406000100029246	2,02,02,059.30	4 th Finance	No BRS
5.	SBI	30390699778	3,13,618.00	BRGF	No BRS
6.	CBI	2091510034	14,19,921.00	SJSRY (SUM)	No BRS
7.	CBI	2091454498	7,28,662.75	SJSRY (MICRO)	No BRS
8.	CBI	2091454501	59,97,063.24	SJSRY	No BRS
9.	CBI	2091464825	3,14,922.39	SJSRY	No BRS
10.	CBI	2091472235	1,93,070.00	SJSRY	No BRS
11.	BGB	39600110006019	24,47,153.00	IHSDP (BSUP)	No BRS
12.	BGB	39600110006026	1,62,33,585.00	IHSDP	No BRS
13.	BGB	3960010002272	24,50,471.00	IDSMT	No BRS
14.	BGB	3960010002838	77,92,341.00	ADMINISTRATIVE	No BRS
15.	BGB	39600110024480	4,16,94,908.00	UISSMT	No BRS
16.	BOI	497410110014920	53,26,159.00	BRGF	No BRS
17.	SBI	11461342450	1,10,625.00	SJSRY	No BRS
18.	SBI	30607870789	27,21,985.00	MISC	No BRS
19.	SBI	P/L Account-168	94,08,588.00	MISC	No BRS
TOTAL			12,63,09,862.18		

Monthly Bank Reconciliation Statement have not been prepared by NP, But there is no difference between cash book and consolidated balance of all accounts of bank as on 31.3.2015.





Till Date, ULB maintains accounts on the basis of single entry accounting system. Double entry accounting system is not in operation in the said ULB.

V) Status of Implementation of DEAS:

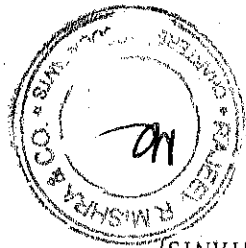
Period	Budgeted	Previous Year (one Year)	Corresponding Period of previous Year	Current Period	Cumulative for the Current period
a) Own Resources					
Holdings / Property tax	10,62,469.00			8,87,241.00	8,87,241.00
Professional Tax	5,25,749.00			6,61,543.00	6,61,543.00
Bus Stand	12,00,553.00			3,04,000.00	3,04,000.00
Gudari, Parking and Sabjimandi	5,29,313.00			12,17,468.00	12,17,468.00
Others	2,33,678.00			2,67,813.00	2,67,813.00
Total	35,51,762.00			33,38,065.00	33,38,065.00
b) Administrative Grant					
c) Specific Grant (Scheme Wise)					
12 th Finance					
13 th Finance	34,77,895.00			32,73,270.00	32,73,270.00
4 th State Finance	99,64,297.00			1,25,24,294.00	1,25,24,294.00
BRGF	27,88,311.00			5,28,666.00	5,28,666.00
E- Governance				4,50,000.00	4,50,000.00
IHSDP (BSUP)	1,68,12,000.00			11,92,000.00	11,92,000.00
Mukhya Parshad	74,400.00			2,23,200.00	2,23,200.00
Allowance					
Rajya Vojna Nagrik Suvdha	13,26,087.00				
Sum Vikash Vojna	3,04,285.00				
UIDSSMIT	11,24,71,000.00				
Interest From Bank	28,01,229.00			37,07,795.00	37,07,795.00
Total	15,00,19,504.00			2,18,99,225.00	2,18,99,225.00

IV), Revenue Receipt:



As per section 98 of BMA 2007 it is necessary for the ULB to constitute an MAC at its first meeting in each year or as soon as may be at any subsequent meeting. But till Date the ULB has not constituted MAC.

VI) Status of Municipal Account Committee; If meeting is held



S.NO	NAME	WARD NO	H.NO	Arrear Amount
1.	Shashi Bhushan Singh	18	203	11,220.00
2.	Kaushya Devi	14	166	1,29,430.00

Details of High value properties:

<p>The details of finding of field survey of holding tax of high value properties being as under:</p>	<p>c) Report on finding of field survey of Property Tax of minimum 20 high value properties</p>
<p>We have not observe any excess payment against bill or lack of prudence against vouchers etc.</p>	<p>b) Excess payment against bill, lack of prudence in payment against vouchers inefficiency in controls resulting loss to ULBs.</p>
<p>Under collection of Holding Tax is found as the holding tax was collected at the rate fixed in the year 1994.</p> <p>Total collection during the current year has been Rs.8,87,241/-</p> <p>Total collection during the current under Mobile Tower tax has been Nil. Total 14 towers of different companies operating under the ULB. Total amount of arrear of tower tax has been Rs.24,62,200/- ex-interest @1.5% p.m.</p> <p>Different fees and charges collected under Salrat as:</p> <p>Agro. Plot: Rs.12,250</p> <p>Gudari: Rs.4,59,120</p> <p>NP Complex: Rs.89,000</p> <p>Sabji Mandi: Rs.3,08,348</p> <p>Parking fees: Rs.4,50,000</p> <p>Bus Stand: Rs.3,04,000</p> <p>Misc. Fees & charges: Rs.1,66,563</p> <p>The ULB did not collect the advertisement/hoarding tax during the year 2014-15.</p> <p>Note:</p> <p>We observed a difference in total Revenue booked by the accountant and the cashier by Rs.3,86,520/- which need to be reconciled.</p>	<p>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 fees etc.</p>

All audit objections/irregularities which have monetary implication, particularly in the following area:

Part "A"

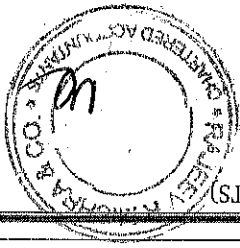
5. Audit Observations:



3.	Rajesh Kumar Singh	18	2008	13,918.00
4.	Shiv Kumar Khemka	18	200	91,801.00
5.	Maheswar Poddar	18	195	16,382.00
6.	Gopal Sah	18	82	33,443.00
7.	Harjan Resid. High School	01	50	4,53,742.00
8.	Mahant Deep Narayan Das	18	196	23,211.00
9.	PHED	06	195	1,50,037.00
10.	Fakir Chandra Sahu	07	110	35,084.00
11.	Dr. Surendra Mandai	10	261 (2)	36,122.00
12.	Ram Dulari Devi	10	261 (1)	30,541.00
13.	Bharti Bhawan Sanskrit High School	10	249	65,507.00
14.	Rameswar Purbey	10	142	57,536.00
15.	Balo mahto	11	161	45,005.00
16.	Subhash Chandra Lal Babu	06	128	30,228.00
17.	Mahant Deep Narayan Das	07	122	25,575.00
18.	Mahant Deep Narayan Das	18	198/210A	11,126.00
19.	Punita Devi	10	218	30,541.00
20.	Ram Chandra Mishra	10	186	32,579.00
21.	Ram Narayan Lal	11	37	25,309.00
	Total		22	13,48,337.00

All audit objections/irregularities which have no monetary implication, but significant violation of Act, Rules & directives of UD & HD, Mention the reference Act & Rules wherein remedial measures is required. In this regard our report is as under -

No major irregularity observed	b) Irregularity in procurement process
<p>Following primary Books of accounts are required to be maintained :</p> <ol style="list-style-type: none"> 1) Cash Book (Form Gen-A) 2) Collection Register GEN-11 3) Subsidiary Ledgers (Gen-3) 4) Bank Book (Form Gen-1B) <p>The ULB did not maintain the bank book as prescribed above.</p> <p>In addition to above following other General Registers and forms are required to be maintained but the same are not being maintained.</p> <ol style="list-style-type: none"> 1. Memorandum of Collection GEN-12 2. Summary of Daily Collection GEN-13 3. Register of Bills for Payment GEN-14 4. Deposit Register GEN-19 5. Summary Statement of Deposits Adjusted GEN-20 6. Summary Statement of Bills Raised GEN-23 7. Register of Refunds, Remissions and Write-offs GEN-26 8. Statement of Outstanding Liability for Expenses GEN-29 9. Documents Control Register/Stock Account of Receipt/Cheque Book GEN-30 10. Register of Immovable Property GEN-31 11. Register of Movable Property GEN-32 12. Register of Land GEN-33 13. Asset Replacement Register GEN-36 14. Register of Public Lighting System GEN-37 	<p>a) Non- maintenance of books of accounts subsidiary registers</p>



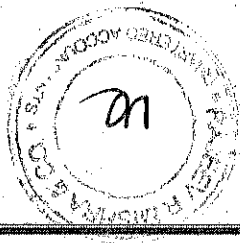


<p>Labour cess, Royalty etc of taxes collected by the ULB like TDS, VAT, There are lack of internal control w.r.t.</p>	<p>f) Non-compliance of TDS, VAT and other relevant Statute</p>
<p>We found lack of internal control in collection and their timely deposit into the bank of revenues collected from internal resources.</p>	<p>e) Lack of Internal Control measures</p>
<p>Except Holding tax and professional tax, no other taxes as mentioned above have been collected by the ULB during the year 2014- 15.</p> <p>a. on roads, bridges, ferries and navigable channel and b. on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles</p> <p>As per sec. 127 of the BMA, the municipality can levy the following taxes:</p> <ul style="list-style-type: none"> • Property tax on lands and buildings. • Surcharge on transfer of lands and buildings • water tax • fire tax • tax on advertisements, other than advertisements published in newspapers • surcharge on entertainment tax • surcharge on electricity consumption within the municipal area • tax on congregations • tax on pilgrims and tourists • Tax on profession • toll tax -- 	<p>d) Non-compliance of Acts and Rules</p>
<p>We observed several non compliances of directives of UD & HD, GOB such as:</p> <ul style="list-style-type: none"> • Various taxes and cess collected but Returns were not filed properly on timely basis. • Non maintenance of prescribed books of accounts • Non maintenance of prescribed DEAS. 	<p>c) Non-compliance of directives by UD & HD, GOB</p>



PART - "C"


<p>Taxes/user charges collected by tax collector are not deposited on daily basis. Tower tax dues are not collected during 2014-15. Advance Register is not prepared hence it is difficult to monitor for advances given and adjustment thereof. Taxes such as VAT, TDS, Royalty and cess etc are collected from time to time but its payments have not made on timely basis which is not proper. On deduction of taxes liability is not created hence it is difficult to ascertain tax payable at any point of time.</p>	<p>The pay-roll system does not contain leave details of employee. PF contribution and pension fund contribution of employees are deducted. PF accounts of all employees have not been opened with PF department. All the deductions of PF contribution and pension fund contribution are being deposited in a separate account opened in Post office.</p>	<p>As informed by the UD & HD, pending UCS from ULB is for Rs. 1408.52 lacs, out of which Rs.200.98 lakh not received by the ULB and Rs.800.00 lakh has been transferred from UIDSSMT to BUIDCO. That means UCS for the amount of Rs.407.54 lakh has to be received from the ULB. Since Grant Register has not been prepared hence it is difficult to ascertain un-utilized grants and pending UCS at any particular time.</p>	<p>Store Register has not been prepared and physical verification of inventory/stores has not been done during the current year.</p>	<p>Physical verification of inventories and stores</p>	<p>Physical verification of fixed assets</p>	<p>Non completion of Financial Statement</p>
	<p>Deficiency in Pay-roll System</p>	<p>Utilization of Grant and report on utilisation certificates</p>	<p>Physical verification of Store Register has not been prepared and physical verification of inventory/stores has not been done during the current year.</p>	<p>Physical verification of Fixed Assets Register has not been prepared hence physical verification of fixed assets has also not been done.</p>	<p>Non completion of Financial Statement</p>	<p>The Financial Statements of the ULB have not been compiled for the year 2014-15.</p>



<p>Updated advance register has been prepared during 2015-16 and ULB collects the advances</p>	<ul style="list-style-type: none"> • Whether advances given to municipal employees and interest thereon are
<p>There is no case of loans and advances other than advance to staff for expenditure.</p>	<ul style="list-style-type: none"> • 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?
<p>No, valuation of stores has not been done.</p>	<ul style="list-style-type: none"> • 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;
<p>No, there is no procedures are in place to identify any unserviceable or damaged stores</p>	<ul style="list-style-type: none"> • 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;
<p>No physical verification has been done.</p>	<ul style="list-style-type: none"> • Whether any material discrepancies have been noticed on physical verification of stores as compared to book records, and if so, whether the same has been properly dealt with in the books of account;
<p>No, ULB has not maintained the updated store register.</p>	<ul style="list-style-type: none"> • Whether the procedures of physical verification of stores followed by the ULB are reasonable and adequate? If not, the inadequacies in such procedures should be reported;
<p>No, physical verification of stores has been conducted by the ULB after 2012-13.</p>	<ul style="list-style-type: none"> • Whether physical verification has been conducted by the ULB at reasonable intervals in respect of stores;
<p>As explained to us no property of the ULB has been given on lease.</p>	<ul style="list-style-type: none"> • 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;
<p>fixed assets has not been done during the financial year under audit.</p>	<ul style="list-style-type: none"> including quantitative 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;



<p>being regularly recovered;</p>	<p>from their employee there after.</p>
<p>• Whether there exists an adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets?</p>	<p>No there does not exist any internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets</p>
<p>• Whether applicable procurement rules and procedures are being followed and if so, significant deviations should be identified and reported.</p>	<p>We did not notice any such deviation.</p>
<p>• Whether the municipality is regular in depositing statutory dues including tax deducting at source, 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;</p>	<p>No, the municipality is not regular in depositing statutory dues. We observed that all such taxes collected during the financial year but except TDS and VAT, no other taxes have been deposited on timely basis. Returns in respect of above taxes have not been filed.</p>
<p>• 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;</p>	<p>The municipality is not giving any contribution towards P.F or pension Fund. Employee contributions to P.F and pension fund are being deducted from the salary of the employees and are being deposited in their post office accounts.</p>
<p>• Whether any personal expenses have been charged to the municipality's accounts; if so, the details thereof;</p>	<p>No, We did not notice any such expenses.</p>
<p>• Whether all the expenditure incurred by the Municipality are authorized by appropriate provision in the sanctioned budget, whether made originally or subsequently and are in all cases such as are authorized by law;</p>	<p>Yes, on our test check we observed that all the expenditure incurred by the Municipality are authorized by appropriate provision in the sanctioned budget.</p>
<p>• Whether all revenue has been properly assessed, accounted for, collected and recovery action taken on timely basis;</p>	<p>No, all revenues from own sources have not been properly assessed, accounted for and collected.</p>
<p>• 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 law;</p>	<p>No tax collected by the tax collector are not deposited on daily basis.</p>
<p>• Whether in respect of all bills for charges on account of all works and other expenditure, proper certificates have been furnished in support of them and that no deviation has been made for the sanctioned plans and the estimates without the sanction of the competent authority;</p>	<p>Yes, on our test check we observed that all bills for charges on account of all works and other expenditure, proper certificates have been furnished in support of them and that no deviation has been made for the sanctioned plans and the estimates without the sanction of the competent authority.</p>
<p>• Whether the amounts received as specific grants have been utilized for the</p>	<p>Yes, on our test check we observed that amounts received as specific grants have been utilized for</p>



For Rajeev R Mishra & Co.
Chartered Accountants

Place :
Date :

<p>the purposes as stated in the grant sanction order</p> <p>No, bio-metric devices and payroll software are not used at the ULB. Pay roll system of the municipality is deficient as it does not contain have records, details of other deductions made etc.</p> <p>We did not observe any grievance redresses cell functioning at the ULB.</p>	<p>purposes as stated in the grant sanction order,</p> <p>Whether bio-metric devices and payroll software are used at the ULB. If not whether there is satisfactory system of payroll accounting; otherwise mention the key deficiencies of the system;</p> <p>Whether the grievance redresses mechanism for the ULB is sufficient;</p>
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