

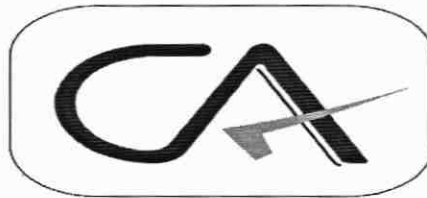
URBAN DEVELOPMENT AND HOUSING DEPARTMENT

Govt. of Bihar

Internal Audit Report

Of NAGAR PANCHAYAT SILAO

For the period from 01-04-15 to 31-03-2016



Internal Audit Conducted by

M/S R.N. Singh & Co. Chartered Accountants

208, Hem Plaza, Fraser Road

Patna-800001

Contact No.: -0612-2202876, 9431019502

Email Id: chanakya@leomangement.in

Period of Visit: 11-07-2016 to 16-07-2016

Report issued on: 27-07-2016

Compliance Report for the scope of work as per the Contract with Internal Auditor

Name of Auditor: R N Singh & Co.		Name of ULB:- Silao Nagar Panchayat	
Sl. No.	Relevant Clause of Scope of Work of the Contract		Compliance (Mention the para no & Page no of audit report)
	Clause No.	Description	
1	4.1	Internal Audit should undertake risk-based review and evaluation of the internal control as discussed in Bihar Internal Control Manual. Internal Audit should devote particular attention to any aspects of the internal control environment affected by significant changes to the ULBs's risk environment.	Complied in para no 1, 2 of Part B of Detailed Audit Report (Lack of internal control measures) at Page no 22.
2	4.2 & 4.3	<p>a) Internal 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. In its report there must be a separate section for non-compliance of rules/directives of UD&HD, GoB;</p> <p>b) 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</p> <p><input type="checkbox"/> Rule 22: All moneys to be brought to account</p> <p><input type="checkbox"/> Rule: 27: Collections to be deposited into Bank on the same day</p> <p><input type="checkbox"/> Rule 69: Grant Related Compliance</p> <p><input type="checkbox"/> Rule 120-121: Monthly Receipt & Payment Account and Trial Balance</p> <p><input type="checkbox"/> Rule 130: Audit to be completed & reported within 6 month</p>	<p>a) Complied in para no 2 of Part B of Detailed Audit Report (Non Compliance of Act and rule) at Page no 21 and Para 1 of page no 22.</p> <p>b) Complied in para no 1 of Part B of Detailed Audit Report (Non compliance of directives by UD&HD, Government of Bihar) at Page no 21.</p>
3	4.4 & 4.5	<p>a) 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;</p> <p>b) Check on audit trail of all collection of Taxes and Non-Taxes either through staff or outsourced agency and report of any lapses in controls, if any and also advise recommendations to strengthen the prevailing processes;</p>	<p>a) Complied in para no 1 of Part A of detailed audit report at Page no 16 and para 1 of page 17 & 18.</p> <p>b) Complied in para no 3 of Part B of detailed audit report at Page no 22.</p>
4	4.6	Report in a separate chapter on implementation	Complied in para no C of Part A of detailed



Name of Auditor: R N Singh & Co.		Name of ULB:- Silao Nagar Panchayat	
Sl. No.	Relevant Clause of Scope of Work of the Contract		Compliance (Mention the para no & Page no of audit report)
	Clause No.	Description	
		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;	Audit Report at Page no 18.
5	4.7	Vouch on all payments above Rs. 10,000 and report on adequacy and appropriateness of its documentation, approvals, compliance of procedures etc.	Complied in para no B of Part A of Detailed Audit Report at Page no 18. And Complied in para no 1 of Part B of Detailed Audit Report at Page no 19.
6	4.8	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 in para no 2 of Part B of Detailed Audit Report at Page no 19.
7	4.9	Internal auditor shall also report on presence or absence of a system of issuance of utilization 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 in para no 2 of Part B of Detailed Audit Report at Page no 24.
8	4.10	Internal Audit can also, provide recommendations to help the ULB management improve the ULB's internal control environment;	Complied in para no 1 of Part 4 of Excutive Summary at Page no 5 to 8.
9	4.11	Internal Audit should report instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	Complied in para no 1 of Part 4 of Excutive Summary at Page no 5 to 8.



Executive Summary

1. Introduction:

- Name of the Municipality: Silao Nagar Panchayat.
- Period covered under current audit: 01-04-2015 to 31-03-2016.
- Name of Chief Municipal Officer for the period under audit: Upendra Kumar Sinha.

2. Results and Findings:

➤ Strengths observed during the audit engagement:

No strength observed during the audit engagement.

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

- (a) The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into the bank on the same day of the collection. The same process is not being followed by the ULB. It has been deposited after 15 to 30 days of collection.
- (b) In scrutiny of holding & MR Receipt with the bank pay-in-slip, it was found that a lot of money of holding tax & Miscellaneous receipt has not been deposited into bank account by concerned person after handed over by tax collector. Details are given in detailed audit report.
- (c) Issue of holding receipt & miscellaneous receipt have not been made in chronological order. Receipt Numbers 501 to 600 have been issued before issuing Receipt Numbers 301 to 400.
- (d) Holding tax demand & arrear register has not been maintained by the Nagar Panchayat Silao.
- (e) Lots of staff advance have not been adjusted till date of audit. Details are given in the detailed audit report.
- (f) Deduction of TDS has not been made properly. In case of non-availability or incorrect PAN number of contractor, the rate of TDS should be 20% on contract price is required to be deducted. However, the process is not being followed at the ULB. Details are given in the detailed audit report



- (g) Various Registers, Books of Records etc are not being prepared by the ULB. Such as, Fixed Assets Register, Stock Register, Demand & Recovery Register, Adjustment Register, Demand Register, Statutory Register with regards to TDS, VAT, Royalty & Labour Cess etc.
- (h) Nagar Panchayat is not in practice to conduct periodic physical verification of stock/assets.
- (i) Deduction of TDS, VAT, Royalty & Labour has not been deposited on timely basis. It has been deposited at the end of the year or deposited after end of the year. It is not being done on timely basis as required under law.
- (j) Return filing of TDS & VAT has not been made as yet for the year 2012-2016.
- (k) The stamp duty @ 3% with respect to agreement made for Sairat with the successful bidder has not been made. Details are given in details audit report.
- (l) Demand & Collection of tower tax from the communication tower is very poor. Details are given in detailed audit report.
- (m) Huge amount of grant allotted to Nagar Panchayat but against these allotments, few UCs have been submitted. Details are given in detailed audit report.
- (n) Accounting process adopted by Silao Nagar Panchayat is Single Entry System based on cash basis of accounting. It is not as per Bihar Municipal Accounting Manual. Bihar Municipal Accounting Manual requires adoption of accounting on Accrual Basis Double Entry System of Accounting.
- (o) As per chapter XII of Bihar Municipal Act, 2007, Nagar panchayat is not in practice to prepare balance sheet, income & expenditure and receipts & payments within 4 months of close of year.
- (p) No survey regarding assessment of property tax has been done in the F.Y. 2015-16 and any previous year



- (q) No Municipal accounting committee has been formed at Nagar Panchayat Level till the date of audit.
- (r) Tax on advertisement and footpath soaps have not been imposed by the Nagar panchayat.
- (s) ULB is not in practice to prepare summary of Daily collection register in Form GEN-13.

3. Overall opinion about the functioning of Municipality: -

The Nagar Panchayat functioning is not up to mark rather it has lots of scope of improvement. The Nagar Panchayat is required to improve a lot in the field of

- a. Preparation of Accounts, Ledger, Books, Various Registers and Records as required.
- b. It requires to Improve its Internal Control Procedures with regards to Demand, Collection of Revenue and Deposits of collected revenue in the Banks.
- c. Due to non-implementation of Double Entry Accounting System and following of Cash basis of Accounting, proper recognition of Income and expenses are not possible in accounts.
- d. There is much scope of improvement in the tax collection process. After inquiry, it is being found that the levy and collection process is not running effectively.
- e. Adjustment of any type of advance has not been satisfactory and submission of UCs of grants is also not satisfactory.

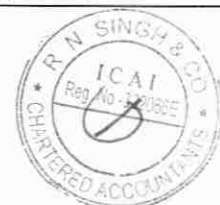


4. Audit Recommendations:

Observed Weaknesses	Audit Recommendations
The amount of tax collected by the Tax collector is required to be handed over to the cashier next day of the collection. The same process is not being followed by the ULB. It has deposited after 15 to 30 days of collection.	The amount of tax collected by the Tax collector is required to be handed over to the cashier next day of the collection. The same process is not being followed by the ULB. It has deposited after 15 to 30 days of collection. It may be the chances of Misappropriations of cash. It should be deposited on time.
In scrutiny of holding & MR receipts, found that a lot of money of holding tax & Miscellaneous receipt amount has not been deposited to bank account by concern person after handed over by tax collector. Details are given in detailed audit report.	If the collection money of tax handed over by tax collector to the concern person and that person not deposit the money on time, then it is the loss of interest to ULB. It should be deposited on the same day of collection to the bank account.
Issue of holding receipt & miscellaneous Receipt has not been made in chronological order. ULB has issued Receipt no. 501 to 600 before issuing Receipt no. 301 to 400.	If Receipt are not issued in chronological order it may provide the chances of misappropriation of cash. So, it should be issued in chronological order.
Holding tax demand & arrear register has not been prepared by the Nagar Panchayat silao.	If holding tax demand and collection register are not prepared, then it may be the chances of short collection of tax. It should be prepared for better collection of tax.
Lots of staff advance have not been adjusted till date of audit. Details are given in detailed audit report.	If huge amount of staff advances not adjusted on time, then it is the loss interest to ULB. It should be adjusted & recovered on time.
Deduction of TDS has not been made properly. In case of absence or incorrect number of PAN of contractor the rate of TDS @ 20%	If non-levy or less deduction of TDS, then attraction of interest & penalty for such default. It should be deducted correctly and deposited on time to avoid the levy of interest.



on contract price. Details are given in the details audit report.	and penalty.
Various registers, books of records etc are not being prepared by the ULB. Such as, Fixed Assets Register, Stock Register, demand & Recovery Register, adjustment register, Demand Register, Statutory Register with regards to TDS, VAT, Royalty & Labour cess etc.	If fixed assets register and stock register has not been maintained, then there is very Difficulty to identify quantity of each class of fixed assets and chances of theft of fixed assets and stock occur. If demand register of holding tax and gumti rent are not made, then organization unable to identify how much amount are due on concerned person and collection are not properly made. If collection register of holding tax and gumti rent are not made, then organization unable to identify how much amount are required to be deposited. So, it should be required to maintained fixed assets register, demand register and collection register and various statutory deduction register at ULB level for better transparency, accountability & easy identification.
Deduction of TDS, VAT, royalty & Labour has not deposited on timely basis. It has been deposited at the end of year or deposited after end of the year.	If the TDS amount not deposited on time, then it is the attraction of interest and penalty. So, it is required to be deposited on time as required under law.
Return filing of TDS & VAT has not made till date for 2012-to-2016.	Non-filing or late filing of returns attract interest and penal provision. So, ULB is required to file these returns before the due date.
Poor demand & collection of tower tax from communication tower which have been installed within the area of ULB.	Poor demand and collection of tower tax is the loss of revenue to the ULB. ULB should take appropriate action for early collection of tower tax.
On allotment of vehicle parking and sauchalay, found that stamp duty & Mudrank sulk not deposited	Non-payments of stamp duty is the loss to Government. So, ULB should act for recovery of dues amount of stamp duty from concern



by the final bidder.	person as soon as possible.
Huge amount of grant allotted to Nagar Panchayat but against these allotments few UCs has been submitted.	If UCs not submitted on timely or few submission of UCs of grant, then next time grants are not allotted. So, it should be required to submit UCs of grant for allotment of next grant.
Accounting process adopted by Silao Nagar Panchayat is Single Entry System based on cash basis of accounting. It is not as per Bihar Municipal Act Manual. Bihar Municipal Act Manual requires adoption of accounting on Accrual Basis Double Entry System of Accounting.	Double-entry accounting system helps in easy preparation of financial statements. It presents accurate report of accounts on the Income Statement, Balance Sheet, Cash Flow Statement and other financial statements and reports. It provides checks and balances, which prevent fraudulent activity and reduces errors. It prevents fraud in a simple way than single entry accounting system because it makes it difficult to manipulate accounts. You can easily detect account manipulation by examining the initial entries and comparing them to their impact on different accounts. So, it should be required to adopt double entry system as soon as possible at Nagar panchayat level
Nagar panchayat is not in practice to prepared balance sheet, income & expenditure and receipts & payments accounts after end of the previous year.	Balance sheet, income & expenditure and receipts & payments accounts show true picture of assets, liabilities, income & expenditure of organization. It should be required to maintain for getting true picture of financial statement.
No any survey regarding assessment of property tax has been done in the F.Y. 2015-16 and any previous year.	If survey regarding assessment of property is not made, then it will be very difficult to know that whether the amount of holding tax collected from the owner is correct or not. It is also not possible to raise correct demand. So, ULB should conduct survey for better collection of property tax.
Municipal Accounting Committee	If Municipal Accounting Committee has not



has not been formed at Nagar Panchayat Level till the date of audit.	been formed, then accounts related difficulty and progress are not resolved on time and it is difficult to take corrective measure. So, it should be required to form as soon as possible.
Tax on advertisement and footpath soap has not been imposed by the Nagar panchayat	If tax on advertisement and footpath not collected, then it is the loss of revenue to the ULB. It should be required to collect tax to increase the revenue of ULB.
ULB has not been in practice to prepare summary of Daily collection register in Form GEN-13.	As per Bihar Municipal Accounting Manual, ULB is required to maintain daily collection register in Form GEN-13. ULB should maintain daily collection register in proper format.

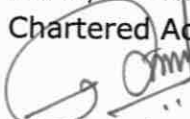
5. Comments from Management: -

As per discussion with Management, they have ensured that they are considering the matter and proper action will be taken for all the irregularities coming out from audit as soon as possible.

6. Acknowledgement: -

We have received satisfactory co-operation and support from the officials and Staffs of the ULB. We convey our sincere thanks for the same.

For M/S R.N. Singh & Co.
Chartered Accountants


CA Chanakya Shree
Partner
Mem No: 079332
FRN: 322066E



Detailed Audit Report

1. Introduction:-

The internal audit of Silao Nagar Panchayat covering the period from 01st April 2015 to 31st March 2016 was conducted by following person under guidance of CA Chanakya Shree.

i. Sikandar Yadav

2. Administration:-

The present body of the ULB has taken charge on 20th May 2012. The incumbency in the key administration and executive was as under:
Shrimati Sunaina Devi, Chairman, from 20th May 2012 to till date.
Upendra Kumar Sinha, Executive Officer from 07th September 2015 to till date.

3. Review of Outstanding Audit Paras: - Status of Audit observations is as under-

Sl. No.	Particulars of audit and date of report	Total no. of Audit paras.	Total no. of Audit Paras where necessary improvement/corrective measure is required	Total no. of Audit paras where recovery of cash is proposed	Total No. of Audit paras where recover has been made	Total amount of recovery	Total No. of outstanding para where no action has been taken	No. & date of compliance report
1.	AG Audit for the F.Y. 2013-2014	20	17	Nil	Nil	Nil	17	29/05/2016
2	Internal Audit Report 2014-2015	20	20	Nil	Nil	Nil	20	Compliance not provided



Detailed Report on Compliance of Previous Internal Audit Report:-

Audit Observation	Nature of Irregularities	Complied/Not-Complied
Statutory Dues like VAT, Labor Cess, Royalty have not been deposited on stipulated time by the Nagar Panchayat and TDS which has been deducted during year 2012-13, 2013-14 and 2014-15 are not deposited till the date of audit. Return filling of TDS & VAT has not been made till the date of audit. Details are given in detailed audit report.	Persisting since last year	Not Complied
Deduction of TDS has not been properly deducted where 20% rate applicable in absence of pan card and VAT has not been properly deducted. Details are given in detailed audit report.	Persisting since last year	Not Complied
A lot of irregularity in procurement process have been observed. Details are given in detailed audit report.	Persisting since last year	Not Complied
Lots of staff advance have not been adjusted till date of audit. Details are given in detailed audit report.	Persisting since last year	Not Complied
Fixed assets register, Demand register of holding tax and gumti rent and collection register of holding tax and gumti rent has not been maintained at Nagar Panchayat level. Details of fixed assets have not been available at	Persisting since last year	Not Complied



Nagar Panchayat.		
Huge amount of grant allotted to Nagar Parisad but against these allotments few UCs submitted. Details are given in detailed audit report.	Persisting since last year	Not Complied
There is no reconciliation between Treasury cash book balances with Treasury.	Persisting since last year	Not Complied
Accounting process adopted by Silao Nagar Panchayat is Single Entry System based on cash basis of accounting. It is not as per Bihar Municipal Act Manual. Bihar Municipal Act Manual requires adoption on Accrual Basis Double Entry System of Accounting.	Persisting since last year	Not Complied
The amount of tax collected by the Tax collector is required to be handed over to the cashier next day of the collection. The same process is not followed. Tax collector hands over the collected cash to the cashier after a time gap of 15 to 30 days. Also, in some cases amount collected in the month of March is handed over to the cashier in next month which is ultimately recorded in the next financial year. It leads to violation of accounting policy and loss of income. Due to this reason a huge of amount not deposited. Details are given in detailed audit report.	Persisting since last year	Not Complied
A lot of Tower tax and renewal charges have not been collected.	Persisting since last year	Not Complied



Details are given in detailed audit report.		
Silao Nagar Panchayat is not in practice to prepare monthly receipt and payment account and the trial balance.	Persisting since last year	Not Complied
There is a much scope of improvement in the tax collection process. After being inquiry, it is being found that the levy and collection process is not running effectively.	Persisting since last year	Not Complied
During scrutiny of cash book for the year 2014-2015, the following irregularities in cash book noticed:- 1. Voucher number through which payment was made, was not clearly indicated. 2. Head-wise distribution of expenditure was not clearly entered. 3. Cutting and overwriting were found in many pages. 4. PL account was not maintained properly.	Persisting since last year	Not Complied
All vouchers are not serially arranged, numbered and authorised by competent authority and kept properly by the Nagar Panchayat.	Persisting since last year	Not Complied
No any assessment and field survey in regard of property tax done during the year 2014-15.	Persisting since last year	Not Complied
Municipal Account committee has not been formed till the date of audit.	Persisting since last year	Not Complied



Tax on advertisement and footpath soap has not been imposed by the Nagar panchayat, this is causing recurring lose to the municipal fund.	Persisting since last year	Not Complied
A lot of deficiency observed in pay-roll system ie excess payment of labour, payment not made on muster rolls. Details of such are given in details audit report.	Persisting since last year	Not Complied
We observed that in case of E-governance scheme diversion of fund arises. Details of such are given in detailed audit report.	Persisting since last year	Not Complied
<p>We observed that internal control are very weak in case of following places:-</p> <ol style="list-style-type: none"> 1. Contractor payment are not directly made ie it is made through office staff. 2. Holding tax rasid for collection of holding tax and miscellaneous rasid for collection of other amount are not issued in chronological order by office to concerned person who are engaged in collection process ie. 501to 600 series rasid issued before issue of 301 to 400 series rasid. 	Persisting since last year	Not Complied

4. **Financial:-**

I. Budgetary provisions and expenditure for the last three years: -

Year	2015-16	2014-15	2013-14
(A) Final/Revised Budget expenditure	97230000	15718712	14800176
(B) Actual expenditure	43761768	23759336	11531811



Difference A-B=C	53468232	-8040624	3268365

II. Volume of transactions

Period	Budgeted (2015-16)	Previous year(2014- -15)	correspond ing previous year(2014- 15)	Current period(201 5-16)	Cumulative for the current period (2015-16)
Opening Balance	0	26296754	26296754	44397308	44397308
Receipts	121541371	41859890	41859890	44386584	44386584
Total	121541371	68156644	68156644	88783892	88783892
Net expenditure	97230000	23759336	23759336	43761768	43761768
Closing Balance	24311371	44397308	44397308	45022124	45022124

III. Bank reconciliation:

We observed that ULBs has maintained different cash book and pass book for different scheme. Cash book and pass book of schemes are *tallied*.

IV. Revenue Receipts: -

Period	Budgeted (2015- 16)	Previous Year (2014- 15)	Corresponding Period of Previous Year (2014-15)	Current Period (2015-16)	Cumulative for the Current Period (2015- 16)
(a) Own Source					



Property Tax	2905371	9472	9472	241,281.00	241,281.00
Assigned Revenue	2355000	485521	485521	601045	601045
Interest Earned	0	0	0	0	0
Fee & Other Charges	1131000	0	0	0	0
(b) Administrative Grant					
(i) General Administration	17650000	2545976	2545976	1200774	1200774
(ii) Gair-Yojana		2584942	2584942	3,064,070.00	3,064,070.00
(c) Specific Grant					
(i) 12th F.C.	0	3738	3738	2902	2902
(ii) 13th F.C.	4000000	5267902	5267902	5127166	5127166
(iii) 4th F.C.		10761061	10761061	496604	496604
(iv) S.J.S.R.Y.	5000000	111476	111476	128,803.00	128,803.00
(v) B.R.G.F.	2500000	1025150	1025150	100267	100267
(Vi) Path-Nalee Nirman (Sahayak Anudan)	0	2242	2242	2339	2339
(vii) MLA/MLC	0	6325	6325	6599	6599
(Viii) Nagar Sarkar Bhawan	0	395767	395767	155020	155020
(ix) Pension Fund	0	19985	19985	19259	19259
(x) Anudan	0	42887	42887	95681	95681
(xi) Gandi-Vasti Sudhar Yojana	0	914	914	391	391
(xii) Swachh Bharat Mission	0	0	0	2,432,730.00	2,432,730.00
(xiii) Nagarik Subidha Mad (LED Light)	0	0	0	6000000	6000000
(xiv) Nagar Prabandhak ka Mandey	0	240000	240000	354000	354000
(xv) Executive officer ka salary	0	0	0	366489	366489
(xvi) Parshad Bhatta	0	339532	339532	137932	137932
(xvii) Nagarik Sudidha Mad	0	0	0	2,509,800.00	2,509,800.00



(xviii) 5th F.C.	0	0	0	9778812	9778812
(xix) 14th F.C.	0	0	0	5564036	5564036
(xx) Nalee Nirman	0	11167800	11167800	0	0
(xxi) E-governance	0	300000	300000	0	0
(xxii) Rashtriya Vridha Pension	0	0	0	6000584	6000584
(xxiii) Capital Grant (state government)	18000000	0	0	0	0
(xxvi) Public Grievances	12000000	0	0	0	0
(xxv) Others	56000000	0	0	0	0
Total		35310690	35310690	44386584	44386584

V. Status of implementation of Double Entry Accounting System:

The ULB has not implemented the Double Entry Accounting System.

VI. Status of Municipal Accounts Committee:

There is no any Municipal Accounting Committee has been formed at the ULB till the date of audit.

Audit Observations:-

I Part-A

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) Property tax:** - During the audit of Holding Tax Receipts of Nagar Panchayat, Silao, through daily collection Registers, Cashier Cash Book and Bank Statement for the period 2015-16, it was found that there were differences in Revenue collected and deposited in Bank/Treasury. Details of are provided here in below:

Sl. No	Receipt No.	Date of Bill	Amount Realized	Amount Not Deposited	Remarks
1	601 to 607	9-9-15 to 9-12-15	2,040.00	2,040.00	Holding Receipt



2	657 to 680	16-12-15 to 21-12-15	16,792.00	16,792.00	Holding Receipt
3	681 to 700	22-12-15 to 28-12-15	7,740.00	7,740.00	Holding Receipt
4	522 to 578	13-12-15 to 18-12-15	25,756.00	25,756.00	Holding Receipt
5	701 to 741	26-12-15 to 31-12-15	20,528.00	20,528.00	Holding Receipt
6	2165 to 2168	7-6-15 to 9-6-15	2,490.00	2,490.00	M.R. Receipt
7	1901 to 1937	17-10-15 to 31-3-16	6,215.00	6,215.00	M.R. Receipt
Total				81,561.00	

The amount of Rs. 81,561.00 is required to be recovered from the concerned erring officials.

- (2). Tower tax:** - As per notification of Bihar Government, The Governor of Bihar made the rules for the mobile tower under the Act. Operator of the mobile must apply to the ULB for operation of the mobile tower in the concerned area with the Requisite fees of Rs. 30,000/- per Tower and the Renewal fee is Rs. 8000/- per year. As per verification of records and document during audit and per the cash book produced by the ULB, it was found that only Rs. 1,14,000/- was realized from the Tower Company till 31.03.2016, resulting in loss of Rs. 4, 44,000 /-.

It is suggested to the ULB that outstanding mobile tower fees amounting to Rs. 4, 44, 000/- shall be recovered at the earliest.

Details are provided here in below:

Sl. No.	Name of Communication Tower/Address	Year of Installation	Registration Fee (a)	Renewal Fee(b)	Total (a+b)	A Amount Deposited (B)	Balance Amount Due (A-B)
1	The saint wireless limited/Satish kumar, father-Ram naresh singh ward no.-06	2011-12	30,000	40000	70000	0	70000
2	Bharti Airtel/Anjaar Aalam, father-manjer Aalam, ward no.-06	2011-12	30,000	40000	70000	0	56,000



3	Systema Shyam tale services/Alok kumar, S/O Santo singh, ward no.-06	2011-12	30,000	40000	70000	-	86,000
4	Vodafone- assar/Dhruv Narayan Singh S/O Ramdeo Singh, ward no.-06	2011-12	30,000	40000	70000	54,000	24,000
5	BSNL/Abhay Shukla -Ajay Shukla S/O Late Shiv kumar Prasad Singh, ward no.-06	2011-12	30,000	40000	70000	-	94,000
6	Smart/Rajesh Kumar S/O Jageshwar Das, Ward No. -06	2011-12	30,000	40000	70000	-	86,000
7	TATA Telecom/Shambhu Singh, S/O Brijnandan Singh ward no. -06	2011-12	30,000	40000	70000	-	78,000
8	Airtel/Rajendra mahto S/O of late prasadi mahto, Karadih,silao	2016-17	30000	8000	38000	30000	8000
Total					558000	114000	444000

(3) During audit we observed that Nagar panchayat has not collected 3% stamp duty & 2% registration fee on Shairat. Details of uncollected stamp duty are as below:-

Sl. No.	Name of Sairat	Name of sairat Holder	Year	Agreed/Final Price	Stamp Duty & registration fee not collected (3% & 2%)
1	Vehicle Parking	Dinesh Kr. S/O Gajo Prasad	2011-12	230,000.00	11500.00
2	Vehicle Parking	Sanjeev Kr. S/O Gorelal	2014-15	333,000.00	16650.00
3	Vehicle Parking	Sanjeev Kr. S/O Gorelal	2015-16	336,000.00	16800.00
4	Sauchalay	Mrs. Sunita Devi W/O Mahendra Prasad	2014-15	25,100.00	1255.00



5	Sauchalay	Mrs. Sunita Devi W/O Mahendra Prasad	2015-16	15,000.00	750.00
6	Sauchalay	Mrs. Sunita Devi W/O Mahendra Prasad	2016-17	25,400.00	1270.00
Total					48225.00

b. Excess Payments against bill, lack of produce in payments against voucher, inefficiency in the control resulting loss to ULBs.

No observation found in this regards.

c. Report on findings of field survey of property tax of minimum 20 high value properties:

Field survey has not been made till the date of audit. Certificate of not conducting the field survey by the Management is obtained from ULB which is attached in our audit report.

II. Part – B

All Audit objections/regularities which has no monetary implications, but significant violations of Act, Rules & directives of UD&HD. Mention the reference to Act & Rules wherein remedial measure is required.

a. Non-maintenance of books and accounts, subsidiary register:

We observed that following registers which are given below has not been maintained by the ULBs.

- i. Assessment registers of property tax.
- ii. Bid register.
- iii. Assets register.
- iv. Demand and collection register.
- v. Records and revision of taxes and rent.
- vi. Demand & collection register of mobile towers and registration files of mobile towers.
- vii. Survey registers/files of Hoardings
- viii. Demand and collection register of Hoarding.
- ix. Daily collection register of taxes/user charges, Fees & Fines.
- x. Holding receipts, Misc. receipts, Trade license receipts, BOQs and other salable forms.



xi. Monthly receipt and payment account is not being.

b. Irregularity in procurement process: -

- i. We observed that in the financial year 2015-16 procurement process has not been followed by the Nagar panchayat and all the works have been executed departmentally. Total payment of Rs. 1,40,98,440/- has been made on such work during the financial year. The details of payments have been provided below: -

Sl. No.	Name of Fund	Scheme No. & Year	Contractor/ Agent Name	Designation	Prakalitmoney	Final Payments Made
1	14 FC	62/2015-16	Lavlesh Kumar	Office Assistant	300000	299946
2		57/2015-16	Lavlesh Kumar	Office Assistant	300000	299946
3		54/2015-16	Kamlesh Kumar	Junior Engineer	300000	300000
4		53/2015-16	Kamlesh Kumar	Junior Engineer	250000	250000
5		52/2015-16	Kamlesh Kumar	Junior Engineer	49440	49440
6		51/2015-16	Kamlesh Kumar	Junior Engineer	300000	300000
7		50/2015-16	Kamlesh Kumar	Junior Engineer	300000	299877
8		49/2015-16	Kamlesh Kumar	Junior Engineer	300000	299352
9		48/2015-16	Kamlesh Kumar	Junior Engineer	300000	298808
10		47/2015-16	Kamlesh Kumar	Junior Engineer	300000	300000
11		37/2015-16	Kamlesh Kumar	Junior Engineer	200000	200000
12		39/2015-16	Lavlesh Kumar	Office Assistant	699000	699000
13		40/2015-16	Lavlesh Kumar	Office Assistant	500000	500000
14		30/2015-16	Lavlesh Kumar	Office Assistant	110000	110000
15		29/2015-16	Lavlesh Kumar	Office Assistant	175000	175000
16		34/2015-16	Lavlesh Kumar	Office Assistant	175000	175000
17		33/2015-16	Lavlesh Kumar	Office Assistant	283000	279690
18		32/2015-16	Lavlesh Kumar	Office Assistant	292000	292000
19		35/2015-16	Lavlesh Kumar	Office Assistant	200000	200000
20		36/2015-16	Kamlesh Kumar	Junior Engineer	90000	89653
21	13 FC.	45/2015-16	Lavlesh Kumar	Office Assistant	320000	320000
22		22/2015-16	Kamlesh Kumar	Junior Engineer	110000	110000
23		21/2015-16	Kamlesh Kumar	Junior Engineer	255000	255000
24		26/2015-16	Kamlesh Kumar	Junior Engineer	120000	120000
25		27/2015-16	Kamlesh Kumar	Junior Engineer	200000	200000
26		09/2015-16	Kamlesh Kumar	Junior Engineer	100000	100000
27	BRGF	16/2015-16	Kamlesh Kumar	Junior Engineer	190000	190000
28		17/2015-16	Kamlesh Kumar	Junior Engineer	105000	105000



29		28/2015-16	Lavlesh Kumar	Office Assistant	325000	325000
30		46/2015-16	Lavlesh Kumar	Office Assistant	380000	380000
31		55/2015-16	Lavlesh Kumar	Office Assistant	150000	150000
32		56/2015-16	Lavlesh Kumar	Office Assistant	150000	149604
33	Vanijay Kar	41/2015-16	Lavlesh Kumar	Office Assistant	105000	105000
34		42/2015-16	Lavlesh Kumar	Office Assistant	95000	95000
35		44/2015-16	Lavlesh Kumar	Office Assistant	400000	389342
36	4th FC.	61/2015-16	Lavlesh Kumar	Office Assistant	300000	300000
37		60/2015-16	Lavlesh Kumar	Office Assistant	300000	299872
38		59/2015-16	Lavlesh Kumar	Office Assistant	300000	299352
39		58/2015-16	Lavlesh Kumar	Office Assistant	300000	299382
40		38/2015-16	Lavlesh Kumar	Office Assistant	210000	210000
41		20/2015-16	Kamlesh Kumar	Junior Engineer	120000	120000
42		19/2015-16	Kamlesh Kumar	Junior Engineer	100000	100000
43		18/2015-16	Kamlesh Kumar	Junior Engineer	60000	60000
44		31/2015-16	Lavlesh Kumar	Office Assistant	90000	90000
45		01/2015-16	Kamlesh Kumar	Junior Engineer	312000	312000
46		24/2015-16	Kamlesh Kumar	Junior Engineer	195000	195000
47		23/2015-16	Kamlesh Kumar	Junior Engineer	105000	105000
48		14/2015-16	Kamlesh Kumar	Junior Engineer	100000	100000
49		15/2015-16	Kamlesh Kumar	Junior Engineer	100000	100000
50		06/2015-16	Kamlesh Kumar	Junior Engineer	210000	210000
51		02/2015-16	Kamlesh Kumar	Junior Engineer	315000	315000
52		12/2015-16	Kamlesh Kumar	Junior Engineer	210000	210000
53		43/2015-16	Lavlesh Kumar	Office Assistant	300000	300000
54		10/2015-16	Kamlesh Kumar	Junior Engineer	146000	146000
55		08/2015-16	Kamlesh Kumar	Junior Engineer	370000	370000
56		03/2015-16	Kamlesh Kumar	Junior Engineer	73000	73000
57		11/2015-16	Kamlesh Kumar	Junior Engineer	454000	447924
58		07/2015-16	Kamlesh Kumar	Junior Engineer	120000	117340
59		25/2015-16	Kamlesh Kumar	Junior Engineer	80000	80000
60		13/2015-16	Kamlesh Kumar	Junior Engineer	100000	100000
61		04/2015-16	Kamlesh Kumar	Junior Engineer	511000	507846
62		05/2015-16	Kamlesh Kumar	Junior Engineer	189000	188312
Total					14098440	14067686

c. Non-compliance of directives by UD &HD, Government of Bihar: -

- As per Chapter 20 for period end and reconciliation procedure of Bihar Municipal Accounting Rules, following procedure should be carried out daily but it has not been conducted on a daily basis: -

(a) Closing of daily cash book and bank book.



(b) Physical verification of cash balance with daily collection register and bank balances.

(c) Checking ledger account with books of original entries i.e. cash book, bank book and journal book.

d. Non- compliance of Act & Rules: -

- (i) As per rules of ULB cash collected by Nagar Parishad shall be deposited on the same day but cash collected by cashier has not deposited the same amount on same day it takes 15 days or more.
- (ii) The ULB is not preparing the Accounts and Financial Statement as per Section 86 & 88 of the Bihar Municipal Act, 2007. As required under section 88 of the said Act, the ULB is required to prepare within four months from the close of the year, Financial Statement Containing an Income & Expenditure Accounts and a Receipt and Payment Account for the previous year w.r.t. the accounts of the ULB.
- (iii) The ULB is not preparing Fund Wise Receipts & Payments under BMAR Form No 71 within 20th day of the subsequent months as per Rule 120 of the Bihar Municipal Accounts Rule 2014.
- (iv) The ULB is not preparing following Financial Statement of the Preceding years as required under Rule 122 of the Bihar Municipal Accounts Rule, 2014:
 - Receipt & Payment Accounts for the Year (BMAR Form No 71).
 - Income & Expenditure Account for the Year (BMAR Form No 73).
 - Balance Sheet as on 31st March of the Year (BMAR Form No 74).

e. Lack of internal control measure

(a) Holding tax Receipt for collection of holding tax and miscellaneous Receipt for collection of other fee are not issued in chronological order by office to concerned person who are engaged in collection process i.e. 501 to 600 series Receipt issued before issue of 301 to 400 series Receipt.

(b) Holding tax and miscellaneous Receipt collection money has not been checked by competent authority on regular basis. So, a lot of money is pending for deposit



f. Non-compliances of TDS, VAT and other statutory dues.

- (i) Statutory dues like TDS, VAT, Labor Cess and Royalty have not been deposited on stipulated time by the Nagar Panchayat.
- (ii) Return filling of TDS & VAT for 2011-12, 2013-14, 2014-15 & 2016 has not been done till the date.

Sl. No.	Scheme No /Advertisement No.	Contractor/ Agent Name	Date of Deduction	TDS amount Deducted
1	54/2015-16	Kamlesh Kumar	18-03-16	3000
2	53/2015-16	Kamlesh Kumar	28-03-16	2500
3	52/2015-16	Kamlesh Kumar	18-03-16	494.4
4	48/2015-16	Kamlesh Kumar	10-03-16	2988.08
5	47/2015-16	Kamlesh Kumar	18-03-16	3000
6	37/2015-16	Kamlesh Kumar	03-11-15	2000
7	39/2015-16	Lavlesh Kumar	03-11-15	6990
8	40/2015-16	Lavlesh Kumar	03-11-15	5000
9	30/2015-16	Lavlesh Kumar	03-11-15	1100
10	29/2015-16	Lavlesh Kumar	30-09-15	1750
11	34/2015-16	Lavlesh Kumar	30-09-15	1750
12	33/2015-16	Lavlesh Kumar	03-11-15	2796.9
13	32/2015-16	Lavlesh Kumar	30-09-15	2920
14	35/2015-16	Lavlesh Kumar	30-09-15	2000
15	36/2015-16	Kamlesh Kumar	30-09-15	896.53
16	45/2015-16	Lavlesh Kumar	03-11-15	3200
17	22/2015-16	Kamlesh Kumar	03-11-15	1100
18	21/2015-16	Kamlesh Kumar	03-11-15	2550
19	26/2015-16	Kamlesh Kumar	03-11-15	1200
20	27/2015-16	Kamlesh Kumar	03-11-15	2000
21	09/2015-16	Kamlesh Kumar	03-11-15	1000
22	16/2015-16	Kamlesh Kumar	03-11-15	1900
23	17/2015-16	Kamlesh Kumar	03-11-15	1050
24	28/2015-16	Lavlesh Kumar	03-11-15	3250
25	46/2015-16	Lavlesh Kumar	03-11-15	3800
26	61/2015-16	Lavlesh Kumar	15-03-16	3000
27	58/2015-16	Lavlesh Kumar	05-01-16	2993.82
28	38/2015-16	Lavlesh Kumar	03-11-15	2100
29	20/2015-16	Kamlesh Kumar	03-11-15	1200
30	19/2015-16	Kamlesh Kumar	03-11-15	1000
31	18/2015-16	Kamlesh Kumar	03-11-15	600
32	31/2015-16	Lavlesh Kumar	03-11-15	900
33	01/2015-16	Kamlesh Kumar	03-11-15	3120



34	24/2015-16	Kamlesh Kumar	30-09-15	1950
35	23/2015-16	Kamlesh Kumar	30-09-15	1050
36	14/2015-16	Kamlesh Kumar	30-09-15	1000
37	15/2015-16	Kamlesh Kumar	30-09-15	1000
38	06/2015-16	Kamlesh Kumar	30-09-15	2100
39	02/2015-16	Kamlesh Kumar	30-09-15	3150
40	12/2015-16	Kamlesh Kumar	30-09-15	2100
41	43/2015-16	Lavlesh Kumar	30-09-15	3000
42	10/2015-16	Kamlesh Kumar	30-09-15	1460
43	08/2015-16	Kamlesh Kumar	30-09-15	3700
44	03/2015-16	Kamlesh Kumar	30-09-15	730
45	11/2015-16	Kamlesh Kumar	30-09-15	4479.24
46	07/2015-16	Kamlesh Kumar	30-09-15	1173.4
47	25/2015-16	Kamlesh Kumar	30-09-15	800
48	13/2015-16	Kamlesh Kumar	30-09-15	1000
49	04/2015-16	Kamlesh Kumar	11-12-15	5078.46
50	05/2015-16	Kamlesh Kumar	11-12-15	1883.12
51	41/2015-16	Lavlesh Kumar	03-11-15	1050
52	42/2015-16	Lavlesh Kumar	03-11-15	950
53	44/2015-16	Lavlesh Kumar	29-09-15	3893.42
Total				116697.4

g. Deficiency in pay-roll system: -

The Silao Nagar Panchayat is not complying with the provisions of PF and ESICs with regards to Contractual Employee. It may lead to imposition of Penalty by the Authority in this Regards. Moreover, leave registers are also not prepared properly.

h. Utilization of Grant & report on missing Utilization certificate: -

Huge amount of grant allotted to Nagar Panchayat. In this respect we found that the UC of some grants has not been submitted by the nagar panchayat. Details of grant for which UC has not been submitted are provided below: -

Sl. No.	Name of Grant	Amount	UCs not submitted
1	Nala Nirman	11167800.00	11167800.00
2	14 th FC	2809492.00	2809492.00
3	Nagar Prabandhak ka mandey	594000	594000
5	Parshad Bhatta	137932.00	137932.00
6	13 th FC	354108.00	354108.00
Total			15063332.00



i. physical verification of inventory/store:

Physical verification of inventory/store has not been done by ULB.

j. Advances, their adjustment & recovery:

Lots of staff advance have not been adjusted till date of audit.
Details are given below-

Sl. No.	Name of Person	Designation	Date of Advance	Amount of advances	Balance of Amount Adjusted Date	of Not Till
1	Kamlesh Kumar	Junior Engineer	05-08-15	75000	75000	
2	Mantan Singh	-	09-09-15	12000	12000	
3	Mantan Singh	-	17-09-15	50000	50000	
4	Mukesh Kumar	Clerk	05-08-15	30000	30000	
5	Arunendra Kumar Verma	Clerk	16-12-14	5000	5000	
6	Kishor Prasad	Office assistant	337/13-14	4000	4000	
7	Naresh Chauhan	Driver	10-07-14	15000	15000	
8	Rajiv Kumar	Computer Operator cum Office assistant	29-10-15	30000	30000	
9	Rajiv Kumar	Computer Operator cum Office assistant	17-06-16	10000	10000	
	Lavlesh Kumar	Office assistant	18-03-16	35000	35000	
	Sri Prakash	Tax Daroga	03-11-12	7000	7000	
	Sri Prakash	Tax Daroga	03-11-12	15000	15000	
	Sri Prakash	Tax Daroga	03-11-12	5000	5000	
	Sri Prakash	Tax Daroga	03-11-12	20000	20000	
Total				313000	313000	

k. Any other matter as may be prescribed in due course: -



No any other matter observed during the audit

III- Part C

General Observations: -

There is lots of scope for improvement with respect to maintenance of Records and Registers. The important and basic records like Advance register, annual accounts, assets register were not maintained. Effective steps may be taken to improve the maintenance of accounts and increasing of its own sources of revenues.

For R.N. Singh & Co.
Chartered Accountants



CA Chanakya Shree
Partner
Mem No: 079332
FRN: 322066E





M/S R.N. Singh & Co.

Chartered Accountants,
208, Hem Plaza, Fraser Road,
Patna -800001

Discussion Note

Nagar Panchayat Silao (Nalanda)

Date: 16-07-2016

Period of audit: 01-04-2015 to 31-03-2016

Sl. No.	Auditor Observations	Management Comments
1	We observed that in case of procurement in many plan only one or two photo has been submitted by engineer after completion of work, but in this respect three photos are required to be submitted in which one photo is before starting the work another photo is when work is in progress and the last photo when work has been completed.	Management will follow in future.
2	<p>As per letter no 1920 dated 14-08-2002 and letter no 549 dated 15-03-2005 before allotment of sairat the agreement should be done on the revenue stamp. The final bidder required to be deposited the 3% & 2% of agreement value. If the said money not deposited by final bidder then he shall be disqualified for participation in the next bidding of sairat. In this respect we observed that:-</p> <p>(a) The vehicle parking was allotted after doing the required procedure to Mr. Dinesh Kumar S/O Gajo Prasad for F.Y 2011-12 at Rs.230000.00 but 3% & 2% amount (Rs.11500.00) not deposited by him till date.</p> <p>(b) The vehicle parking was allotted after doing the required procedure to Mr. Sanjeev Kumar S/O Gorelal for F.Y. 2015-16 at Rs. 333000.00 but 3% & 2% amount (16650.00) not deposited till date and in the</p>	Notice send to him in recover from him.



	<p>next year he has participated in the open tender and that parking allotted to him For F.Y. 2016-17 at Rs. 336000.00 but 3% & 2% amount (Rs.16800.00) not deposited till date.</p> <p>(c) We observed that Shauchalay was allotted to the Mrs. Sunita Devi W/O Mahendra Prasad for F.Y. 2014-15, 2015-16 And 2016-17 but without payment of 3% & 2% money participated in the bid & allotted to her.</p> <p>Total money of 3%&2% is Rs. 6550.00 not yet recovered from the said bidder.</p>	
3	We observed that Silao Nagar Panchayat has charge establishment (Rs.30000.00) & renewal fee (Rs.8000.00 per year) on mobile tower. The total nos. of tower within the jurisdiction of ULB is eight. But in this respect we found that total amount raised Rs. 558000.00 in which Rs. 240000.00 for registration fee and Rs. 318000.00 for renewal fee but in this respect only Rs. 114000.00 has been collected by Nagar Panchayat and remaining Rs. 444000.00 is due.	In this respect notice has been given in newspaper.
4	While scrutiny of Holding tax receipts & Miscellaneous Rasid we observed that Rs. 154525.00 of Holding tax and Rs. 12130.00 of Miscellaneous Rasid has not deposited by the concern person.	Recover as soon from concern person(s)
5	Nagar panchayatSilao has not in practice to preparing demand, arrear & adjustment of property tax. So not easily find out how much amount dues on whose property.	Follow in future
6	We observed that in case of procurement only one or two photo has been submitted by engineer after completion of work, but in this respect three photos are required to be submitted in which one photo is before starting the work another photo is when work is in progress and the last photo when work has been completed.	Follow in future.
7	As per Income Tax Act, 1961, TDS is 1 % for individual and 2% for other. If PAN card is not	



	provided then the rate will be 20%.	
8	<p>(a) As per sec. 201(1A) of Income Tax Act, 1961, after deduction of tax, non-payment of tax either in whole or in part, interest is at the rate of 1.5 % per month from the date at which TDS was deducted to actual date of deposit.</p> <p>(b) Penalty equal to the amount that was failed to be remitted may be imposed.</p> <p>(c) Penalty for late filing of TDS return as per sec. 234E deductor will be liable to pay way of fee Rs.200 per day till the failure to pay TDS continue. However limited to amount of TDS required to be filed.</p> <p>(d) As per sec. 271H assessing officer may direct a person who fails to file the statement of TDS within due date to pay penalty minimum of Rs. 10000.00 which may extended to Rs.100000.00. However penalty under this is section in addition to the penalty U/S234E.</p> <p>(e) We observed that the Nagar Panchayat Silao has not filled TDS return, so in this case above penal and late fine shall be attracted.</p>	As soon as file & deposit.
9	There is no transparency in the case of date of TDS deduction and the date of deposit. In this respect we found that Nagar Panchayat is not in practice to deposit TDS amount on due date i.e. 7th of the next month.	As in instruction of department for doing so.
10	As per Value Added Taxes, due date for deposit of VAT amount to the government account is within fifteen days from the completion of the month in which VAT has been deducted. However we found that VAT has been deducted by Nagar Panchayat from different contractor for construction of the project but Nagar Panchayat is not in practice to deposit the VAT amount on scheduled time as specified in Bihar Commercial Taxes under VAT.	Deposit as soon as possible.



11	The amount of tax collected by the Tax collector is required to be handed over to the cashier next day of the collection. The same process is not followed. Tax collector hands over the collected cash to the cashier after a time gap of 15 to 30 days. Also, in some cases amount collected in the month of March is handed over to the cashier in next month which is ultimately recorded in the next financial year. It leads to violation of accounting policy and loss of income. Due to this reason a huge of amount not deposited	Follow in this respect.
12	Silao Nagar Panchayat should maintain all books and accounts as required under Bihar Municipal Act, Rules.	Maintained in future
13	Accounting process adopted by Silao Nagar Panchayat is Single Entry System based on cash basis of accounting. It is not as per Bihar Municipal Act Manual. Bihar Municipal Act Manual requires adoption on Accrual Basis Double Entry System of Accounting.	Follow in future
14	We observed that no any assessment and field survey in regard of property tax has been done up to 30-06-2016.	In this respect not any survey has done
15	Municipal Account committee has not been formed till the date of audit.	Form as soon as possible
16	Tax on advertisement and footpath soap has not been imposed by the Nagar panchayat, this is causing recurring lose to the municipal fund.	Follow in future
17	We observed that the Holding tax rasid for collection of holding tax and miscellaneous rasid for collection of other amount are not issued in chronological order by office to concerned person who are engaged in collection process i.e. 501to 600 series rasid issued before issue of 301 to 400 series rasid.	Follow in future
18	We observed that in procurement of AC no any advertisement made in the local newspaper. And vat amount not deducted by nagarpanchayatsilao.	Follow in future
19	We observed that some of utilization certificate of different grant has not submitted till date of audit.	As soon as send



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We observed that many scheme is operating by official staff & junior engineer and after that M.B. booked by the same engineer so it may lack of transparency.

As per power given by department for procuring tender up to 7.50 lakh through officially.



16.07.12
कार्यपालक पदाधिकारी
नगर पंचायत, मिर्जापुर

