



कार्यालय, महालेखाकार (लेखापरीक्षा), बिहार,
सामाजिक प्रक्षेत्र -I, स्थानीय लेखापरीक्षा शाखा,
वीरचन्द्र पटेल मार्ग, पटना - 800001

153

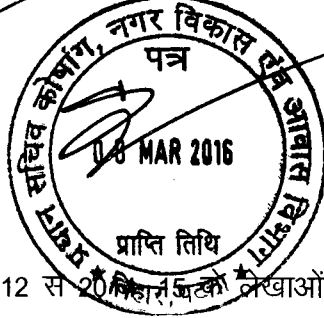
सं०.एल०ए० / एस०एस०-1 / श०स्था०नि० /

दिनांक-

सेवा में,

कार्यपालक पदाधिकारी
नगर परिषद् बीहट
जिला- बेगूसराय

DS (VR)



महाशय,

नगर परिषद् बीहट के वर्ष 2011-12 से 2015-16 तक के लेखाओं पर आधारित लेखापरीक्षा प्रतिवेदन सं० 1193/15-16 आपके सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित है। अनुरोध है कि इस लेखापरीक्षा प्रतिवेदन की कंडिकाओं का अनुपालन, लेखापरीक्षा प्रतिवेदन प्राप्ति के 3 माह के अन्दर पूर्ववर्ती लेखापरीक्षा प्रतिवेदनों की लम्बित कंडिकाओं का अनुपालन प्रतिवेदन बिहार नगरपालिका अधिनियम, 2007 में वर्णित प्रावधानों के अनुसार उपयुक्त साक्ष्य सहित तैयार कर प्रेषित किया/करवाया जाय जिससे लेखापरीक्षा के उद्देश्यों की पूर्ति हो सके।

यह निरीक्षण प्रतिवेदन लेखापरीक्षित इकाई द्वारा समर्पित एवं उपलब्ध करायी गयी सूचनाओं/विवरणों के आधार पर तैयार किया गया है। महालेखाकार (लेखापरीक्षा), बिहार पटना का कार्यालय लेखा परीक्षित इकाई द्वारा किसी भी गलत सूचना देने अथवा सही तथ्य छिपाने की जवाबदेही का दावा नहीं करता है।

संलग्नक: यथोपरि

भवदीय,

(विश्वम्भर कुमार)

वरीय लेखापरीक्षा अधिकारी
श०स्था०नि० / सामाजिक प्रक्षेत्र-1
स्थानीय लेखापरीक्षा शाखा, पटना

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सं०-एल०ए० / एस.एस.-1 / श०स्था०नि० / 14543/366

दिनांक- 26.02.2016

प्रतिलिपि सूचनार्थ एवं आवश्यक कार्रवाई हेतु प्रेषित:-

1. सचिव, नगर विकास एवं आवास विभाग, बिहार सरकार, पटना
2. जिलाधिकारी, बेगूसराय

(विश्वम्भर कुमार)

वरीय लेखापरीक्षा अधिकारी
श०स्था०नि० / सामाजिक प्रक्षेत्र-1
स्थानीय लेखापरीक्षा शाखा, पटना

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152

Nagar Parishad Bihat
A.R. No. 1193/15-16
(Period-2011-12 to 2014-15)

Part-I

1 INTRODUCTION

The accounts of Nagar Parishad , Bihat for the year 2011-12 to 2014-15 was test audited by an audit party of O/o The Accountant General (Audit,, SS-I cum Local Audit Wing, Bihar Patna during the period from 27.08.2015 to 10.09.2015.

2 ADMINISTRATION

Sl.No.	Name of Chairman	Period
1.	Rajesh kumar	06.06.11 to 31.03.2015

Sl.No.	Name of Vice-Chairman	Period
1.	Pankaj Mishra	06.06.11 to 31.03.2015

Sl.No.	Name of Executive officer	Period
1.	Md. Zafar Alam	06.06.11 to 30.03.13
2.	Rakesh Kumar Jha	31.03.13 to 28.12.14
3.	Kumar Anil Sinha	29.12.14 to 31.08.15

3 MEMBERS OF THE AUDIT TEAM

- (i) Sri Satya Prakash Singh, AO with full supervision.
- (ii) Sri Dheeraj kumar, AAO
- (iii) Sri Sangam Tiwari, Adr.

4 Deleted

5 PREVIOUS AUDIT REPORT

In spite of several requests and reminders for compliance of outstanding paras of previous audit reports, the same was not produced by the unit. The position of outstanding paras of previous audit reports is as under:-

151

Sl.No.	A.R.No. & Year	No. Of outstanding paras
1		
2		
3		
4		

Non-compliance of outstanding paras defeats the very purpose of the audit. Suitable steps may be taken for compliance of outstanding paras of previous audit reports.

6 INTERNAL AUDIT

The Bihar Municipal Account Rules (Rules 20,66,60,30,32,64 to 66, 83,84 & 127), provides a number of internal checks, which would be exercised either by the chairman, Vice-Chairman, Executive Officer or any other responsible officer entrusted for the purpose by the commissioner at a meeting. Those checks were prescribed in the rule in order to have proper control in maintenance, co-ordination and also to avoid serious irregularities in the Municipal Accounts.

But no such checks as prescribed in the above rules were conducted by any of the authorities of the Nagar Parishad and for want of that a lot of irregularities were noticed.

It is therefore, impressed upon the authorities to conduct regular checks to stop recurrence of such irregularities in future.

7 Important Audit findings:-

Sl.No.	Particulars	Amount in Rs.	Ref. to Para No.
1.	HOLDING TAX SHORT-CREDIT RS. 92,460.00	0.92 Lakh	Part-IIB; Para no. 01
2.	- SALARY PAID TO PERSONS WORKING ON UNSANCTIONED POST (786596)	7.86 Lakhs	Part-IIB; Para no. 02

50

3.	EXCESS PAYMENT IN SOLAR STREET LIGHT SCHEMES ()	19.22 Lakhs	Part-IIB; Para no. 03
4.	IRREGULAR PAYMENT FOR CLEANING OF ROADS AND DRAIN.	6.32 Lakhs	Part-IIB; Para no. 04
5.	IRREGULARITIES IN SJSRY	75.26 Lakhs	Part-IIB; Para no. 05
Total		109.58 Lakhs	

8. Result of Audit:-

- (a) Amount suggested for recovery: ₹2124861
- (b) Amount held under objection: ₹18384058
- (c) Amount recovered at the instance of audit: Nil

149

PART II (A)-Nil

PART II(B)

PARA1-- HOLDING TAX SHORT-CREDIT ₹ 92,460.00

During the audit of holding tax collection of Nagar Parishad Bihat, through the collection register, cashier cashbook and bank statements for the period 2011-2015, it is found that there are differences in tax collected and tax amount deposited in Municipal Fund of Nagar Parishad, Bihat.

Figures and details are specified below:-

S.N	Receipt No.	Period of collection	Amount Collected	Amt Deposited	Name of Tax Collector	Remarks
1	HR301-400	6.6.15-1.9.15	7962	0	Alok Kr.	Not Deposited
2	HR 4201-4257	20.7.15-3.9.15	3544	0	-do-	-do-
3	HR 3401-3500	25.8.15-1.9.15	3416	0	Perveen Kr.	-do-
4	HR 4401-4500	13.7.15-25.8.15	4234	0	-do-	-do-
5	HR 2232-2293	2.8.15-4.9.15	3724	0	Pramod Kr.	-do-
6	HR5901-6000	21.7.15-18.8.15	6918	0	Birendra Kr.	-do-
7	HR5801-5878	20.8.15-3.9.15	3489	0	-do-	-do-
8	HR2644-2651	6.8.15-4.9.15	900	0	Chandra Prakash	-do-
9	HR2723-2800	5.8.15-12.8.15	8111	0	Sajjan Kr.	-do-
10	HR4501-4600	12.8.15-24.8.15	9113	0	-do-	-do-
11	HR4601-4639	24.8.15-4.9.15	3159	0	-do-	-do-
12	HR3101-3200	1.8.15-31.8.15	8144	0	Rajesh Kr Thakur	-do-
13	HR101-142	18.5.15-22.5.15	2149	0	Shubh Nandan	-do-
14	HR409-500	3.4.15-23.7.15	5267	0	Saroj Kr.	-do-
15	HR 1977-2000	22.7.15-17.8.15	2317	0	Aakash Kr	-do-
16	HR 2801-2819	25.12.13	15,802	0	Praveen Kr	-do-
17	HR 3601-3700	24.7.15-1.9.15	4211	0	Saroj Kr	-do-
			Net total ₹ 92,460	Net total Rs 0.00		

The Xerox copy of receipt of amount(₹ 92,460.00) after deposited in concerned account will be made available.

Reply: -The unit replied that the above amount will be deposited in related account and the copy of proof of deposition will be sent to this office.

48

The above amount of Rs. 92460 is suggested for recovery from person(s) concerned as it has not been recovered.

PARA 2- SALARY PAID TO PERSONS WORKING ON UNSANCTIONED POST (₹7.87 Lakh)

The test check of Cash Book, Salary payment Register and other Records produced in Audit revealed that only 9 posts were sanctioned for Bihat Nagar Parishad by UD &HD vide letter No 359 dated-01.02.2012. Details as under:-

Sl. No.	Name of posts sanctioned	Pay scale	No. of post sanctioned
1	Head clerk	1320-2040	1
2	Tax Daroga	975 – 1540	1
3	Orderly / peon	775 – 1025	1
4	Safai Zamadaar	800 – 1150	1
5	Sanitation staff	775 – 1025	5

The Employment Notice No 01/ 2012-13 was issued for recruitment of 17 persons on 12 (twelve) category (detailed in copy of advertisement) on contract basis. Total 14 persons were recruited against the above, details are as under:-

Sl. No.	Name of posts	Pay	No. of post advertised	Employed
1.	JE	7000	1	1 (left after 2 months)
2.	Head clerk	6000	1	1
3.	Tax Daroga	6000	1	1
4.	Computer operator	6000	1	1
5.	Accountant	6000	1	1
6.	Legal adviser	On daily basis	1	0
7.	Driver	5000	1	1
8.	Orderly / peon	4420	1	1

47

9.	Safai Zamadaar	4500	1	1
10.	Sanitation staff	4420	5	5
11.	Night guard	4420	1	1
12.	Architect	On commission basis	0	0

Four persons are working against unsanctioned post, a total sum of ₹ 786596 paid to them.

Statement of salary paid to persons working on unsanctioned post

Sl. No.	Name of staff	Post	Period	Rate	Amount paid
1	Anupam Kumar	Computer operator	Aug' 12 to Sept' 12	5806	11612
			Oct' 12 to July'13	6000	60000
			Aug'13	5032	5032
			Sep'13 to Dec'14	6000	96000
			Jan'15 to Mar'15	16502	49506
					222150
2	Dhanjay Kumar Jha	Clerk Cum Accountant	Aug'12 to Sept'12	5411	10822
			Oct'12 to July'13	5500	55000
			Aug'13	4613	4613
			Sep'13 to Dec'14	5500	88000
			Jan'15 to Mar'15	16502	49506
					207941
3	Om Prakash Paswan	Night Guard	Aug'12 to Sept'12	4277	8554
			Oct'12 to July'13	4420	44200
			Aug'13	3708	3708
			Sep'13 to Dec'14	4420	70720
			Jan'15 to Mar'15	13323	39969
					167151
4	Pankaj Kumar Singh	Driver	Aug'12 to Sept'12	4435	8870
			Oct'12 to July'13	5000	50000
			Aug'13	4194	4194
			Sep'13 to Dec'14	5000	80000
			Jan'15 to Mar'15	15430	46290
					189354

Audit observation / comments

1. Persons were recruited on contract basis but no contract was done. Appointment letter were issued to the selected candidate on above rate. No new appointment letter were issued or new recruitment done but pay was revised and they are being paid at rates different from that on which they were recruited on contract basis.

The reason for the same may be pointed out.

2. The Rule under which persons were recruited on unsanctioned post may be pointed out to audit.

Reply:- The unit replied that the employment of and payment to, the above said staffs is being done on the direction of Board and Empowered standing committee.

Rebuttal:- The above reply is unsatisfactory because approval of the state govt. for the above said employment was not taken as a result of which the above employment becomes invalid and illegal hence total sum of ₹ 786596 paid to them is held under objection.

PARA 3 - EXCESS PAYMENT IN SOLAR STREET LIGHT SCHEMES

(A) BRGF

The notice inviting tender for purchase and installation of solar street light was published in news paper on 23.02.12 for 14 solar street light. Work order No. 97 dated 31.03.12 was issued to Jawarlal Bardwaj Akshai Urja Shop, Sona Jageshwar Complex, Trafic Chowk, Begusarai supply and installation of 14 (fourteen) solar street light @ Rs 43700 each. Other terms and condition give in the work order was as under:-

1. Agreement is to be done within a week.
2. Supply and installation is to be done at places provided in the list at own cost.
3. A plate indicating that it is from the funds of BRGF should be placed on each pole.
4. Form CIII is to be submitted by the supplier failing which payment will be done after deduction of VAT.

145

5. The supplier will do the repair at its own cost during the Guarantee/ Warranty period.

Agreement was done on 09.04.2012 and as per the agreement the supplier has to look after the maintenance for 5 (Five) year at its own cost.

Supply and installation was done and claims submitted vide Invoice No. JLB_AUS/20 dated 25-April-2012 for Rs 611800 (VAT amount 24395). No Form C III submitted, full payment done Rs 550620 vide cheque No. 507905 dated 05.05.12 and Rs 61180 vide cheque NO. 507909 dated 25.07.12.

(B) Fourth State Finance

The board in general meeting dated 28.06.12 and Empowered Standing Committee in meeting dated 24.07.2012 approved the supply and installation of 40 Solar Street Lights.

No notice inviting tender for purchase and installation of solar street light was published in news paper for these solar street lights. Work order No. 294 dated 05.09.12 was issued to Jawarlal Bardwaj Akshai Urja Shop, Sona Jageshwar Complex, Traffic Chowk, Begusarai supply and installation of 40 (fourty) solar street light on the same terms and condition of work order 97 dated 31.03.12 and the previous Agreement done. More over supply and installation order for 4(Four) more solar street lights were given to the same agency on the recommendation of the Chairman.

Clams for the 44 (Forty-four) solar lights was submitted by the Agency vide Invoice NO. JLB_AUG/23 dated 27-09-2012 for Rs 1922800 (VAT amount Rs 76670), no form C III submitted. Full payment of Rs 1922800 was done vide cheque No. 611231 dated 06.10.12

Audit observation / comments

1. In both the cases Form CIII was not submitted. The reason for none deduction of VAT may be pointed out and why the same i.e, Rs 101065 may not be treated revenue loss to Govt and hence suggested for recovery from person(s) responsible.

2. It may be pointed out to why 58 solar street lights were installed instead of other alternative street lights.

3. As per the provisions of Bihar Financial Rules the purchases above one lakh should be made only through inviting notice of tender Bids. It may be pointed out why the work order was given without calling NIT. It may also be pointed out why the total sum of Rs1922800 may not be held under objection as it is contrary to the provisions of BFR.

4. It may also be pointed out whether the supply were procured at Govt rate or the DGS&D. The rate approved by the Govt of Bihar and the DGS&D rate may be furnished to audit at the earliest.

REPLY:- the unit replied that work order was issued in the light of decision of Board and Empowered standing committee. In future the amount of vat will be paid only after the receipt of Form-CIII.

Rebuttal:- The above reply is unsatisfactory because due to non production of Form-CIII the govt. incurred a loss of revenue of ₹101065 and the reply does not comply for the other objections. Hence the above amount of ₹ 1021735 is held under objection.

PARA 4 IRREGULAR PAYMENT FOR CLEANING OF ROADS AND DRAIN.

As per the file produced in audit NIT was issued for cleaning of Roads and Drains of Bihat Nagar Parishad for the period October 2013 to March 14. Quotation of three NGO / Agencies were attached in the file and the rate quoted by them were as under:-

	Name of NGO / Agency	Rate / Per Month
1	M/S P. R Thermochem	71250
2	M/S Asha Electronics	89500
3	Taigor Foundation	79000

The following were to be furnished with the tender papers.

1. work experience in ULB
2. PAN, VAT and three years IT and service Tax returns.

Work order No. 517 dated 01.10.13 was issued to Taigor Foundation @ Rs 79000 per Month and an Agreement was executed on .31.10.13. It had the following clauses:-

- 43
1. The Agency had to clean all the roads every day and drain twice a week.
 2. The Agency shall employ local sanitary workers.
 3. The agency shall provide green uniform to every sanitary worker.
 4. The agency shall utilize the implements and machinery of the Nagar Parishad and shall pay its rent.
 5. The agency shall provide special cleaning during Dushehra, Diwali, Chhath, Bakrid, Eid, 15th August and 26th January.
 6. The agency shall every 3 months dust lime and bleaching powder.
 7. The agency shall provide the labours minimum wages fixed by the government.
 8. The agency shall be responsible for any disaster with the Sanity worker.
 9. The agency shall within a week provide two mobile numbers and name of workers.
 10. The agency shall maintain Complain register.
 11. The work of the agency will be supervised and monitored by the Safai Zamadaar.
 12. In case of violation of any of the clause legal action can be taken against the agency.

There was no amassment of requirement by the Safai Zamadaar. No comparative statement was attached in file. It was also not mentioned who qualified in the Technical bid. As per file the financial bid of the above for were opened.

Audit observation comments

1. How many bids were received may be pointed out to Audit.
2. Statement showing the different documents furnished by the bidding Agencies may be furnished to audit.
3. Why there was no mention rate in the work order and Agreement may be pointed out.
4. Details of implements / Machinery used by the Agency along with charges for their use collected / deducted from them may be furnished.

Details of were as under:-

142

Period	Bill Amount	(-) user charges	To be paid	Paid	Cheque No./ Date	Remarks
Oct 13	79000	3940	75060	75060	987805 / 28.11.13	
Nov 13	79000	7440	71560	71560	987814 / 20.12.13	
Dec 13	79000	10415	68585	77885	987818 / 11.01.14	9300 excess
Additional payment for 158 extra labour	25596	00	Nil	25596		As per no extra payment was to be done
Jan 14	79000	13050	65950	74650	987826 / 1.2.14	8700 excess
Feb 14	79000	11700	67300	75100	987837 / 5.3.14	7800 excess
Mar 14	79000	11700	67300	75100	987838 / 16.4.14	7800 excess
April 14	79000	11250	67750	75700	764022 / 17.5.14, 987850 / 7.5.14	7950 excess
May 14	79000	11250	67750	75700	764027 / 4.6.14	7950 excess
Jun 14	79000	11700	67300	75700	764031 / 15.7.14	8400 excess
July 14	79000	11700	67300	75700	764042 / 11.8.14	8400 excess
Aug 14	79000	11700	67300	75700	19923 / 17.10.14	8400 excess
Sept 14	79000	11700	67300	75700	19923 / 17.10.14	8400 excess
Oct 14	79000	7800	71200	75700	NEFT / 19.11.14	4500 excess
Nov 14	79000	7800	71200	75700	NEFT / 3.12.14	4500 excess
				1080551		92100 excess

Arrear paid

Apr 14	5700
May 14	15700
Jun 14	15700
July 14	15700
Aug + Sept 14	51400
Oct 14	10700
Nov 14	7700
Total	122600 NEFT 29.12.14

5. The lowest rate was quoted M/ S PR Thermochem (Rs 71250), but the work was allotted to Taigoi Foundation despite its rate being ₹ 7750 higher. The reason for the same may be pointed out.

6. The work was to be monitored by the Safai Zamadaar (as per clause 11 of the Agreement) but none of the payments were made on his recommendation. It may be pointed out whether any monitoring was done by the Safai Zamadaar. If no monitoring was done then whom monitoring was done and who gave certificate of use of machinery of the Nagar Parisad. The Safai Zamadaar is incharge of all the sanitary Equipments and Machinery then why certificate of their use was not obtained .

7. As per the NIT the work was for the period of Oct 13 to March 14. Then why the Agency was allowed to work beyond it up to Nov14 for which a total payment of Rs 632000. It may pointed out why the total expenditure of Rs 632000 may be treated as irregular.

8. Additional payment for 158 extra labours Rs 25596/- was made to the Agency. However clause 2 and 5 cleaning done without extra payment but the above was paid in addition which was not provided in the Agreement. It may not be treated as excess payment and suggested for recovery from person(s) responsible.

9. User charges of sanitary Equipments and Machinery was to be deducted from monthly rate of Rs 79000.00. The scrutiny of the file produced in Audit revealed that

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user charges were deducted without user certificate. it was also noticed that in some cases deduction were made but short. This resulted in excess payment of Rs 93300.00, the reason for the same may be pointed out to Audit.

REPLY:- All the payments were done after the attestation of quality of work by ward members and approval of chief councillor.

REBUTTAL:- The above reply is unsatisfactory because it is the execution of work is responsibility of the Executive. Hence the above-said amount of ₹117696 is suggested for recovery while the rest amount from Rs 632000 i.e. ₹ 514304 is held under objection.

Para 5 –IRREGULARITIES IN SJSRY

(A) BLOCKAGE OF FUND ₹3957531.00

UDHD sent a list of 17 trades for which training was to be imparted to the youth belonging to BPL families along with a list of 63 NGOs empanelled with it vide letter No. 927 dated 06.09.12 According to this letter application was to be received up to 30.06.12 from candidates.

The Nagar Parishad received Rs 75,00,000.00 from UDHD vide letter No. 1113 dated 21.10.12 under SJSY for assisting urban poor in setting up individual/ group micro-enterprises for self- employment under USEP and UWSP programme and also providing skill training to urban poor under STEP-UP component. According to the guidelines the available fund was to be distributed as under:-

STEP-UP	- 40%
USEP	- 20%
UWSP	- 20%
UWEP	- 10%
UCDN	- 10%

The test check of subsidiary Cashbook of SISR revealed the following financial position.

139

Period	Opening Balance	Receipt	Total	Expenditure	Balance
2012-13	Nil	7500000	7500000	2059680	5440320
2013-14	5440320	64110	5504430	1792899	3711531
2014-15	3711531	246000	3957531	Nil	3957531

According to the subsidiary cashbook of the Office of Nagar Parishad Bihat, Begusarai a total of Rs. 2786080 was spent for imparting training and Rs. 1066499 was spent on scheme and audit done by chartered accountant. A total sum of Rs. 3957531 was left with Nagar Panchayat and hence blocked.

REPLY:- the unit replied regarding the balance amount that the directions of the department will be followed. Hence the above amount of Rs. 3957531 is held under objection until it is utilised.

(B) Irregularities in SJSRY training.

According to subsidiary cashbook of SJSRY it was found that two institutions namely-Dr. B R Ambedkar Harijan Kalyan Parishad and Durga Mahila Shishu Kalyan Sansthan were chosen for providing skill training to urban poor under STEP-UP component in different trades. Details as under:-

SL.No.	Name of NGO	Date	Particular	Amount
01	Dr. B R Ambedkar	18.03.13	Bo B ch.no. 507934	500000
02	Harijan Kalyan Parishad	22.03.13	Bo B Begusarai ch. No. 127810	439680
03		27.09.13	---	235000
04		31.10.13	---	211400
05	Durga Mahila Shishu Kalyan Sansthan	22.03.13	Bo B Begusarai ch. No. 127808 to 127809	1120000
06		27.09.13	----	280000
07		31.10.13	---	246000
			Total	3032080

Later on 07.05.14 a sum of Rs. 246000 was returned by sri Avanish Kumar, Representative, as the money previously taken for Tool kit on the basis of report of reporting officer about non-disbursement of tool-kit but when asked for the related scheme file it was not produced in the audit.

Audit observation / comments

(1) A sum total of Rs 2786080 was paid to the above two institutions for imparting training but utilisation of Rs. 2786080 from both institutions along with mode of selection of suitable urban poor candidates, attendance register of trainees, Vouchers of distributed toolkits along with rate of each unit and the total quantity was not found hence the same may be furnished to the Audit.

(2) Assistance to urban poor in setting up individual/ group micro-enterprises for self-employment was to be provided. Therefore total no. of self employed individual along with the enterprises set-up by them may be furnished in the audit.

(3) By what method it was brought to the notice of public about application is being received in this regard may also be pointed out/ furnished. What numbers of applications were received from the aspirant trainees under different trades up to 30.06.12 (As per letter No.927 requirement) may be pointed out/ furnished.

(4) As per letter No.927 a nodal officer was to be appointed for selection of NGO by preparing a 10 point check list. The same was not available . It may be pointed out wither nodal officer was appointed, if yes his report along with check list may be produced in audit.

(5) The guideline and the list attached with the letter No. 927 mentioned

a. The list of trade only, there was no mention number of trainees to be selected for each trade or the total number of trainee to imparted training.

b. The cost of imparting training only was given in the letter but the cost of tool kit was not given.

(6) It may be explained in audit how the total number of trainees and number of trainees under each trade was decided .

(7) The basis on which payment for cost of tool kit was made may be pointed out.

37

(8) The payee receipt of payments to the trainers not attached in file, same may be produced in audit.

(9) The figure of census report of 2011 along BPL list may be produced in Audit at the earliest so that the required necessary checks may be applied.

why the total expenditure of Rupees 2786080 may not be kept under audit objection it must be explained in the Audit.

REPLY:- the unit replied in this regard that the directions of the govt. will be followed. The reply is unsatisfactory, hence the above amount of Rs. 2786080 is held under objection until the file is produced in the next Audit.

(C) Irregularities in SJSRY

On scrutiny of subsidiary cashbook it was found that a sum total of Rs. 783199 was paid to various agents for execution of schemes. The details are as under:-

Sl. No.	Scheme No.	Agency	Amount
01	01/13-14	Anupam kumar	125000
02	02/13-14	Dhananjay Jha	125000
03	03/13-14	Raj kumar	30000
04	04/13-14	Md.Nadeem	150349
05	05/13-14	Raj kumar	177850
06	06/13-14	Anupam kumar	125000
07	07/13-14	Dhananjay Jha	50000
		Total	783199

Audit observation / comments

- (1) The status of above schemes may be explained to the Audit.
- (2) The letter of authority for the execution of schemes from the grant of SJSRY may be produced in the audit.

Why the total expenditure of Rupees 783199.00 may not be kept under audit objection it must be explained in the Audit.

REPLY:- The unit replied that the schemes approved by the Board and Empowered standing committee has be executed. The reply is unsatisfactory as the approval of the Board and Empowered standing committee was not in compliance to the guidelines issued for the above, hence the above amount of Rs. 783199 is held under objection.

PARA 6. MISCELLANEOUS RECEIPT AMOUNTS COULD NOT BE TRACED IN BANK

STATEMENT/CASHBOOK ₹ 5.14LACS

During the audit of Nagar Parishad Bihat, scrutiny of miscellaneous receipts lead to the finding that there was no maintenance of a Central Stock Register to register the Inventory/Stationery material printed. Further, the concerned collectors were not issued the Receipt Volumes through any record or stock entry, and neither had they ever maintained a daily collection register to record the receipts issued from the MR volumes.

Also, due to poor record maintenance and lack of cooperation to the Audit that amount collected through the miscellaneous receipts could not be traced down to Cashier Cash book and then to Bank Statement/Passbook of the Account of Municipal Fund. The details of Receipts whose credit could not be validated are specified below:-

Sl.No.	Receipt No.	Period of collection	Amount Collected	Name of Collector
1	1-100	22.11.11-13.1.12	1000	Manoj Singh
2	101-200	18.1.12-8.2.12	1000	-do-
3	201-300	8.2.12-24.5.12	1000	-do-
4	301-400	16.2.12-15.3.12	1000	-do-
5	401-500	15.3.12-17.4.12	1000	-do-
6	501-600	31.3.12-30.6.12	20900	-do-
7	601-700	7.6.12-8.9.12	4500	-do-
8	701-800	20.6.12-18.4.13	216842	-do-
9	1177-1198	4.7.13-15.7.13	3876	Dhananjak Kr Jha
10	901-934	10.8.12-11.8.12	1590	Raj Kumar
11	935-1000	12.10.12-15.3.13	50572	-do-

12	1301-1307	8.10.12-8.11.12	4900	Md. Nadeem
13	1401-1406	19.9.12-25.9.12	16000	Raj Kumar
14	1407-1439	16.9.13-24.3.15	84030	-do-
15	1440-1453	11.4.15-14.8.15	9925	-do-
16	1501-1537	16.3.13-20.1.14	34350	-do-
17	1557-16000	6.8.14-22.1.15	26815	-do-
18	3001-3024	4.2.15-7.9.15	26090	Anupam Kr
19	3201-3300	9.3.15-27.7.15	8250	-do-
			Total	5,13,640

Audit Observations:-

1. The administration may please explain the reasons for not keeping/maintaining a stock/inventory procedure.
2. Why there was no daily collection register used to record the receipts issued by the Nagar Parishad employees?

The respective collectors of the MR amount Rs 513640.00 is expected to prepare a compliance of the deposition of above specified amounts to bank account immediately.

Reply: - The unit replied that facts regarding the above amount will be ascertained and this office will be intimated with the outcome.

The above amount of ₹513640 is suggested for recovery.

PARA7.IRREGULARITY IN PURCHASE OF HYDRAULIC TRAILOR (₹2.49 LAKHS)

According to rule 126 of Bihar financial rule the procedure to be followed in making public procurement must conform to the following yardsticks:-

(1) The specifications in terms of quality, type etc., as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the procuring organisations. The specifications so worked out should meet the basic needs of the organisation without including superfluous and non-essential features, which may result in unwarranted expenditure. Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory carrying costs;

(2) Of'ers should be invited following a fair, transparent and reasonable procedure;

(3) The procuring authority should be satisfied that the selected offer adequately meets the requirement in all respects;

(4) The procuring authority should satisfy itself that the price of the selected offer is reasonable and consistent with the quality required;

(5) At each stage of procurement the concerned procuring authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.

According to Rule 131C (Purchase of goods without quotation) Purchase of goods upto the value of Rs. 15000/-(Rupees Fifteen Thousand) only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority.

According to Rule 131D (Purchase of goods by purchase committee) purchase of goods costing above Rs. 15000/-(Rupees Fifteen Thousand) only and upto Rs. 100000/-(Rupees One Lakh) only on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee will survey the market to ascertain the reasonableness of rate , quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee will jointly record a certificate.

According to Rule 131F A demand for goods should not be divided into small quantities to make piecemeal purchase to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand

According to manual of procurement of goods the specifications of the required goods should be framed giving sufficient details in such a manner that it is neither too elaborately restrictive as to deter potential tenderers or increase the cost of purchase nor too sketchy to leave scope for sub standard supply. The specifications must meet the essential requirements of the user department. According to guidelines of DGS&D the question whether any sales tax, purchase tax , octroi and terminal taxes and other local taxes and duties are to be paid and if so , by which party, should be settled and cleared up before entering into any contract, involving transfer of movable property whatever its nature.

33

Nagar Parishad Bihat allotted contract of supplying hydraulic trailer to Kamna Enterprises @ 124500 per unit and paid ₹ 249000 the details of which are as under

Sl.No.	Date	Details	Amount paid
01	29.05.12	A112103	112050
02	10.07.12	A112106	112050
03	06.10.12	BoB Bihat cheque no. 507918	24900
			249000

Audit observation

(1) When tender for purchase of only one hydraulic trailer was invited then how the supply order of two hydraulic trailer was given to the same firm without inviting fresh tender.

(2) whether the comparison statement related with technical and financial bid was prepared or not it may be furnished in the audit.

(3) As per the terms and condition the supplier had to deposit form C-3 otherwise vat was not to be paid but without the above mentioned document amount of VAT was paid to the firm.

(4) According to the terms and condition of supply order the performance guarantee money of 10 per-cent was to be paid after six months but the firm was paid the same before six months.

(5) Without the assessment report /requisition of Safai Zamadaar how it was ascertained what was required and in what quantity for the municipal council.

(6) No cash memo or invoice having the specifications of supplied article was found hence the basis of payment cannot be justified.

(7) In the NIT no specification related with the goods to be procured was mentioned.

(8) Log book related with the good may be produced in the audit.