

(94)

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT), BIHAR
(LOCAL AUDIT WING), PATNA-800001

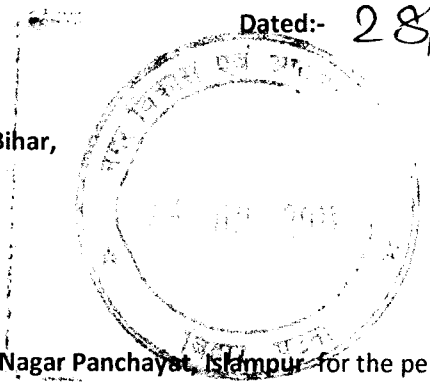
No. L.A. Sur./ 128

Dated:- 28/06/11

To

The Principal Secretary to the Government of Bihar,
Urban Development and Housing Department
Patna

पं. नं. 717711



Sir,

Audit Report No. 165/11-12 on the accounts of Nagar Panchayat, Islampur for the period from 2007-08 to 2009-10 is enclosed for your kind information and necessary action.

Yours Sincerely,

[Signature]
28/6/11

Sr. Audit Officer/Surcharge

Encl:- As above

Handwritten initials and scribbles in the top left corner.

SS(J)

4526/PS
04/7/11

Handwritten notes in Hindi: (असहयोग) गांधी वस्ती का उत्तम लक्ष्य है। राशि को इस्तेमाल किया जा निवेश प्रत्याशा है।

3/S.S
04-07-11

501
[Signature]
28/6/11

Handwritten notes at the bottom left: 70410, 295, 12/7/11

AUDIT REPORT No. 165/2011-12 of Nagar Panchayat,
Islampur for 2007-08 to 2009-10

Introduction

The audit of the accounts of Nagar Panchyat, Islampur for the year 2007-08 to 2009-10 was test checked by an audit team of the o/o the Principal Account and general (Audit) Bihar (Local Audit Wing), Patna during the period from 7.02.2011 to 15.02.2011

2. Administration

(1)	Name of the Chairman/Mukhya Parshad	Period
(i)	Smt. Priyarani	1.04.07 to 8.06.07
(ii)	Shri Ram Prit Singh	9.06.07 to 31.03.10
(2)	Name of the vice Chairman/ up Mukhya Parshad	Period
(i)	Taubir Alam	1.04.07 to 8.06.07
(ii)	-do-	9.06.07 to 31.03.10
(3)	Name of the Executive officer	Period
(i)	Shri Ajay Kumar C.O ,Islampur	1.04.07 to 8.10.07
(ii)	Shri Rajiv Ranjan Prakash, BDO Cum Co. Islampur	9.10.07 to 21.3.09
(iii)	Shri Shama Javed Ansari BDO Cum Co, Islampur	22.3.09 to 31.3.10

3. Scope of audit

A List of Accounts, records and registers, produced and test checked in audit has been given in Appendix-I to the report and those accounts, records and registers were either not maintained or produced in audit has been given in Appendix-II to the report.

4. Previous Audit Report

Despite of several reminders given, the Compliance of Previous audit reports, were not furnished to audit As such, the entire previous audit paras. remained un - settled and the purpose for which audit is conducted remained defeated.

Hence, the Executives of the Nagar Panchayat is impressed upon to take early steps for preparation of Compliance reports of previous Audit Reports and forward those to the examiner of Local Account Bihar Patna.

5. Internal Audit

under Section 97 of the Bihar Municipal Act, 2007 the State Government or the Municipality may Provide The accounts records of the Municipality in the manner prescribed for internal audit

RV

But neither manner was prescribed for internal audit of the account of Nagar Panchyat by the State government or Nagar Panchyat nor the authorities of the Nagar Panchayat has exercised internal checks over the day to day accounts of Nagar Panchayat As such, a number of irregularities were noticed as discribed in subsequent paragraphs Had the Nagar Panchayat authorities conducted such checks at regular internals, the irregularities already Committed and others if any, remained undetected could be avoided. It is, therefore, impressed upon the authorities to exercise regular checks to stop recurrence in such irregularits in future.

6. Important Audit Findings

Sl. No.	Para No.	Contents of Para	Money Value (Rs. In Lakh)₹
1	9(ii)	Unspent grant of slum area developments lying idle in the Nagar Panchayt fund while the same scheme was Stopped	3.97
2	11	Under Statement of receipt of grant in the Cash Book	0.015
3	13	Loss of revenue due to less realisation of Settlement amount of Municipal sairats	5.00
4	15(ii)	Non Credit of collection money due non accountas of receipts in DCR.	0.43
5	18(i)	Non deduction of VAT from supplier bills.	5.16
6	18(ii)	Non- deduction of VAT from Supplier bills	0.54
7	18(iii)	Loss of revenue due to non deduction of labour cess from construction works	1.05
8	20	Payment made without obtaining the death Certificate of the deceased under Kabir Anteshthi Scheme.	0.22

(91)

7. Over View

Nagar Panchyat was financed by the grants from the state government/allied offices and own resources The Collowing abstract would show the financial Status of Nagar Panchayat for the year 2007-08 to 2009-10 as worked out in audit from the available Cash book.

Sl. No.	Particulars	2007-08₹	2008-09 ₹	2009-10₹	Remarks
1	opening balance	5447364	8500573	23647668	
2	Receipt				
(A)	grants				
I	Plan	5466782	20664975	3411812	
II	Non Plan	521598	543399	83928	
(B)	Own resources	1720183	1690901	3015158	
	Total	7708563	22899275	6510898	Including Interest on bank on a/c ₹ 495567
3	Total receipt (1+2)	13155927	31399848	30158566	
4	Expenditure (schemes+other)	4655354	7752180	11679857	
5	Clossing balance	8500573	23647668	18478709	
	-do-	as per Treasury Pass Books of different banks as on 31.3.10		18937045	Difference of ₹ 458336 not reconciled.
			Diff	458336	

Audit obsenations

(1) From the abstract as shown above it would appear that the revenue of its own sources was not sufficient even to meet the expenditure on establishment & others. The authority of Nagar Panchayat is, therefore, impressed upon to take effective efforts for augmentation of its own revenue

90

(ii) The analysis of closing balance may be prepared and shown to next audit.

(iii) Closing balance as per Cash Book as on 31.3.10 is ₹ 18478709 whereas closing balance as per Treasury and Bank Pass Books on 31.03.10 as under

(i)	Treasury	(P.L. A/c)	4412391
(2)	State Scheme Fund	S. B. I, Islampur S/A/C No. 11417711013	4222987
(3)	Nagar Panchayat Fund	(--do--11417711002)	1835729
(4)	XII FC Fund	(--d0--11417710881)	394017
(5)	S.J.S.Y Fund	(--do-11417746614)	1435590
(6)	Sleem Fund	(d0-11417710869)	397017
(7)	Royalty Fund	(--do--11417710870)	50047
(8)	IDSMT Fund	(Nalanda Gramin Bank S/A/C No- 5802)	5567412
(9)	Current A/C	(N.G. B Islampur -4)	519746
(10)	-----	(N.G.B Islampur 3765	102109
			18937045
		Difference	458336

Difference between two sets of figure ₹ 458336 was not reconciled

8. Budget estimate:-

Probable receipt and expenditure as per budget files of 2007-08 and 2009-10 are as under

2007-08	
Receipt ₹	Expenditure ₹
NonPlan-2947641	4416920
Plan-90000000	90000000
2009-10	
Non Plan8769778	4303200
Plan110800000	106,300,000

Audit Comments:-

- (1) Budget estimates is to be approved by the Nagar Panchayat Board and sent to government for approval before Commencement of the financial year. But budget estimate of 2007-08 was approved by the Chief Commissioner and executive officer on 3.07.07 However, from the budget file of 2009-10 it was not ascertained whether the budget was approved or not
- (2) Budget estimate was not prepared on ~~the~~ basis of head wise receipt and expnditure. it was prepared based on the average figure of receipt and expenditure of last three years. In a few cases receipt of last year was compared with probable receipts.
- (3) Annual accounts was not produced to audit as such the head wise receipt and expenditure could not be compared with the actuals.
- (4) Budget file of 2008-09 was not made available for audit. The same may be produced in next audit for checking.

9 Government Grant

grant register and grant appropriation register were not maintained despite of severall suggestion made in preview Audit Reports. As such in absence of the said registers, actual position of unspent grant lying in the beginning of the year, grants received & utilised during the year and balance unspent grant at the end of the year could not be ascertained in audit. Further, it was not ascertained whether the grants were spent for the purposes for which they were sanctioned.

However, grants to the tune of ₹ 3,06,94,001 was received by Nagar Panchayat from the State government and its allied units during the year 2007-08 to 2009-10 as per Cash Book and allotment Register /Bill Register. the details are as follows.

Sl. No.	Year	Amount of grant recived
1	2007-08	5988380
2	2008-09	21209881
3	2009-10	3495740
	Total	30694001

(Vide details in STATEMENT I of the report)

Audit observations

- (i) Effective steps may be taken to maintain grant Register as well as grant Appropriation Register forthwith for proper control over position of grant:-



(ii) It appears from bank account of slum (operator in S.B.I, Islampur Savings A/C No-11417710869 that ₹ 397017 as on 31.3.10 was lying idle and at present the said scheme has already been closed Hence if there is no need of said amount the same may be returned to the Sanctioning authority under intimation to the Examiner of Local Account Bihar, Patna.

10. Maintenance of Cash Book

The fund of Nagar Panchayat was Lodged in different accounts VIZ Treasury, Hilsa (P.L. A/c) State Bank of India, Islampur (Savings A/c No-11417711002,11013,10881,46614,10869 & 0110050042), Nalanda gramian Bank, Islampur (current A/c No. 3765) and Nalanda Central co- operative Bank Ltd. Islampur (A/c No-4), only one cash Book (main) was maintained in respect of the aforesaid accounts and no subsidiary Cash Book was maintained against them. The following deficiencies were noticed in the maintenance of main Cash Book.

(i) Accountwise reference of transactions on account of receipt & payment was not maintained in the Cash Book.

(ii) Head wise receipt and expenditure were not specifically shown in the receipt of payment side of the Cash Book.

(iii) Serial number of Vouchers was not recorded in the payment side of the Cash Book.

(iv) Analysis of closing balance was not shown in the Cash Book.

(v) Cash balance at the end of the month/year was not reconciled with the balance of the Treasury of banks.

(vi) Annual Statement of Account at the end of the year was not prepared in the Cash Book.

The deficiencies as shown above may be rectified and effective efforts may be taken to maintain the Cash Book properly.

11 Understatement of receipt

On scrutiny of the Cash Book (main) with allotment register of grants and bank Pass books revealed that allotment of grant to the of Rs. 6,57,110 was received from State Government through bank draft (vide No- 116863 dt. 6.02.08) on 25.02.08 on account of S.J. S. R. Y the bank Draft was deposited in S. B. I Islampur (Savings A/C No-11417746614) for Credit into the S. J. S. R. Y fund of the Nagar Panchayat But out of which only ₹ 6,55,603 was credited on 30.12.08 by the bank after deduction of ₹ 1,507 as collection Charge Accordingly the receipt of ₹ 6,55,603 instead of ₹6,57,110 was entered into the receipt side of the Cash Book and simultaneously the collection Charge of ₹ 1,507 was shown in the Cash Book on the respective

date, As result, the receipt of grant was understated by ₹ 1,507 which needs to be rectified. Necessary rectification in this regard may be made and shown to the next audit.

12. Recurring Loss of revenue due to non imposition of taxes and fee

The following taxes and fees were not imposed which resulted in to recurring loss to municipal fund

- 1 Holding Tax (House Tax, Latrine Tax, water Tax, Education Cess & Health Cess)
- 2 Licence fee on offensive & Dangerous Trades
- 3 Professional Tax

It was, however, stated that self assessment of taxes on holdings had been Completed but implementaton of the said tax has not yet been made. As the tax on holdings was not imposed Education cess & Health Cess would not be imposed & realised. Hence the State Government also faced recurring loss of revenue on account of Education Cess and Health Cess.

Effective steps may be taken to impose the aforesaid taxes and fee at earliest possible so that further loss of revenue may not be accured.

13. Loss of revenue due to less realisation of settlement amount of Municipal sairats.

Scrutiny of settlement account of municipal Sairats disclosed that sairats were settled to the highest bidder under open bid. But bid monery was not realised in full from the settlees as per terms & condition laid down in the bid and as such ₹4, 99,925 was still outstanding against Settle (s) concerned, the details are given as under:-

Sl. No.	Name of Sairat	Year of settlement	Name of settlee	Bid amount	Particulars of bid amount realised			Amount Less realised
					M.RNo	Date	Amount	
1	Cattle Market	2007-08	S/Shri Chandra	2,25,000	113	29.03.07	1,12,500	1,12,500

60

			Shekhe Prasad village gopal ganj, Thana Alalpur					
2	East Pokhar	2008-09	Devnandan Prasad S/O(Late) Tunnu Pd. Budha Nagar, ward No. 19	1,51,500	222	30.03.08-17.12.08	75,500 15,000 90,500	61,000
3.	--do--	2009-10	Anil Pd. S/o Ram Partap Pd. Village - Allalpur	1,52,150	456	16.06.09	76,075	76,075
							Total	2,49,575
4	Cattle market	2009-10	Ajit Kumar	3,45,500	199454	13.06.09 NA	10500 172750	1,62,250

			S/O Nagina Singh Village- gopalganj Thana Islampur				1,83,250	
5	Sabji Urda. Bazar	2009-10	Md. Aftalb S/o Md Hasan Budha Nagar, Islampur	1,98,100	452 453	13.06.09	10,000 1,00,000 1,10,000	88,100
							grand Total-	4,99,925

Audit Comments

Niether the effective action was not taken to realise the bid money nor the bid was cancelled due to non deposit of the balance amount of bid. As a result, the Nagar Panchayat Sustained loss of revenue to the extent of ₹4,99,925 during the year under audit.

Necessary action may be taken for realisation of outstanding amount of bid to the tune of ₹ 4,99,925 from the settleis concerned failing which the recovery there of would suggested from the person (s) reopnsible

14. Short Deposit.

Scrutiny of Daily Collection Register of Sabji urda Bazar and maveshi fatak revealed that a total sum of ₹ 22,020 was realised on this account by Md. Hasib, Cashier in between 1.04.09 to 13.06.09 But only ₹7,000 was deposited by him on 19.12.09 in the Nagar Panchayat Fund (Nalanda Central Co-operative Bank Islampur A/C No-4) and balance of ₹ 15,020 was remained lying with him.

84

On audit query. the amount was deposited on 15.02.11 by the Cashier through bank Chalan No. 8 in the Fund of Nagar Panchayat (Nalanda Centerl Co-operative Bank Ltd. Islampur A/C No-4) The entry & Crust there of in Cashiers Cash Bank as well as in respective bank Pass Book may be Shown to next audit.

15. (i) Non Credit

Scrutiny of Collection account revealed that a sum of Rs. 4,4,450 was realised by the Cashier through Miscellaneous Receipts during the year under audit. But entry of the said receipt was not made on the respective dates in the Cashiers Cash Book. As a result, collection money of ₹ 44,450 was not deposited into Nagar Panchayat Fund by the Cashier concerned The details are given below.

Sl. No.	M.R. No.	Date	Amount	Particulars of receipt	Remarks
1	119	11.05.07	6,500	Installement of Bid amount of Bus Stand (06-07) from Sri Pankaj Narayan.	Entry of requar was not made in Cashiers Cash Book.
2	142	17.02.09	200	Cost of application form of contractor's registration from Sri. Mahendra Yadav	
3	143 to 187	18.02.09 to 28.02.09	26,250	Cost of BOQ from different Persone	
4	240	1.1.09	1500	Reservation charge of Town Hall from Sri Surash Prasad	
5	254	16.11.09	10,000	Registration Charge for contractor from Manoj Kumar	
		Total	4,4450		

On audit query the amount of ₹44,450 was deposited into C/A No-4 of Nalanda Central Co-operative Bank Ltd. Islampur on 18.02.11 through bank deposit slip by the Cashier.

The credit of the same into cashiers Cash Book as well as in Bank Pass Book may be shown to the next audit.

15.(ii) Collection money to the tune of ₹ 42,746 was realised by the Cashier through different Miscellaneous Receipts during the year 2008-09 to 2009-10 Neither the said receipt were recorded in the relevant daily Collection register nor the credit there of was found in the bank account. As such, the entire amount remained outstanding against cashier as yet. The details are given as under:-

Sl. No.	Mr. No.	Date	Amount	Particulars of receipt
1	801	7.04.08	450	From Sri Ramprit yadav
2	901 to 928	--do--	15,796	different persons on a/c of cattle Hat
3	457 to 482	23.11.09 to 24.11.09	13,000	--do-- on a/c of B.O.Q
4	483	15.12.09	10,800	From Akbar Ajan on a/c of shop rent
5	484	---do---	2,700	From Abdul satlar on a/c of shop rent
		Total	42,746	

Non deposit of collection money renders possible due to lack of proper checking of Executives of the Nagar Panchayat. Hence, effective steps may be taken to realise Rs. 42,746 from the Cashiers concerned and credited the same into Nagar Panchayat Fund immediately. The deposit and credit of outstanding amount may be shown to next audit.

16. Non Production of M.R. Books

Miscellaneous Receipt Books containing serial no. 401,450,501,600, 601 and 700 alongwith relevant daily collection register were not made available to audit. As Such in absence of the said records, amount realised through them could not be ascertained in audit. The authority of Nagar Panchyat is impressed upon to take effective steps for production of aforesaid records in next audit.

8V

Further it was noticed that the amount realised through MR No. 802-804 was not recorded in the carbon copy of the receipts. therein, the actual realisation made by the Cashier could not be ascertained in audit which is highly objectionable Actual position in this regard may be ascertained at the level of executive of the Nagar Panchayat and result there on may be furnished to the Examiner of Local Account Bihar, Patna. Details are as given below:

Sl. No.	M.R. No	Date	Amount	Particular of receipt	Remarks
1	802	7.04.08	(Not written)	From Mukesh Rai Islampur, Nalanda	Amount of receipt not
2	803	--do--	--do--	Kamlesh Kumar	Recorder in receipt
3	804	(Datee not mentioned)	--do--	Vinay Kumar	--do--

17. Delay in deposit

It was revealed from the collection accounts that collection money was never been deposited into Nagar Panchayat Fund with in reasonable period by the Cashier and such practice was continued through out the year during 2007-08 to 2008-09 As such, it resulted into abnormal delay in deposit of collection money ranging form 30 days to 160 days. Delay in deposit tent amounts to misappropriation of collection money. (A few illustration cited in Statement II of the report)

The reasons for delay in deposit was not furnished to audit. However, the said irregularities renders possible due to lack of regular enternal checking by Nagar Panchayat Authorities on collection account.

Hence, regular internal checking collection on account may be exercised by the authorities of Nagar Panchayat to stop further recurrence of the said difficiencies in future.

18(i) Non deduction of Vat from the works bills of executing agent.

Test check of scheme files of XII Finance Commission revealed that 38 hand pipes were installed in all the works for the provisions of water supply during the year 2008-09 But VAT was not deducted at source from the bills of executing agency on materials of hand pipe amounting to ₹5,16,454 (vide details in statement III of the report)

The reasons for non deduction of VAT was not explained in audit The amount of non-deduction of VAT to the tune e of ₹5,16,454 may be recovered from the excuting agency concerned / responsible person (s) for deduction of vat and the same may be remitted to commercial Tax Department of Bihar Govt.

18(ii) Non deduction of Vat from Supplier's bills

On scrutiny of files relating to purchase of articles it was seen that purchase of solarlight and Mobiles were made on tender/quotation from the suppliers, but VAT under section 40 of Bihar VAT Act, 2005 @ 4% was not deducted at source from the suppliers as Form c-III under Rule 28 of Bihar VAT Rules 2005 was not submitted bills The details are as follows.

Sl. No	Particular Cheque date	Payment Amount	Name of Supplier	Particulars of materials supplied	Bill No. & date	Amount	Non deductio f VAT
1	862473/14.02.09	2,50,000	M/S	Solar Light 30	304/9.03.09	10,09,620	40,380
	862475/16.03.09	5,00,000	Beltron	Sct@ ₹	VAT 4%	40,380	
	862477/8.07.09	4,95,000	Patna-1	33,654/Set	305/16.03.09	2,35,578	
	862478/18.08.09	50,000			VAT 4%	9,422	
		12,95,000				12,95,000	
2	0891615/21.11.09	61,100	M/S	Mobile set-13No	1724/21.11.07	61,100	4,139
	0891613/10.12.09	40,900	Bharati	Mobile set- 1 No	1728/24.11.09	1,475	
	0891616/10.12.09	1,475	Enterparies	Mobile Set- 9 No	1732/26.11.09	40,900	
		10,3,475	Islampur			1,03,475	
						Total	53941

80

The amount of non-deduction of VAT Rs. 53941/- may be recovered from the suppliers concerned or person (s) responsible for deduction of tax and the same may be remitted to the respective head of revenue of Government Concerned.

18(iii) Loss of revenue due to non deduction of labour Cess

As per provisions of the government of Bihar (labour Department) Labour Cess of i% wef 2007-08 on the total Value of Work done is to deducted at source for the welfare of the labourers from the works bills of all kinds of Construction work undertaken by the department of Central /State government but the said cess was not deducted at source at all from the works bills of schemes undertaken by Nagar Panchayat and as such the State government faced the financial loss of revenue amounting to ₹ 1,05,389 during the year 2007-08 to 2009-10 (Vide details in Statement IV of the report)

The reasons for non deduction of Labour cess was not furnished to audit effective steps may be taken to make good the loss of ₹ 1,05,389 from the executive agency as well as concerned contractors or parson(s) reoponisable.

19. Excess Payment

Test checking of establishment Vouchers revealed that contributory Provident Fund to the tune of ₹ 33160/- was deducted from the Salary of Municipal Staff for the month of September, 2007 to December, 2007 Against which ₹34,334 was paid to S.B.I. Islampur (Vide Cheque No- 163673 dated 26.07.07 of Nalanda Central co - operative Bank, Islampur) to deposit the C.P.F money into the respective account of the Staff. As such, ₹ 1174 was paid in excess for deposit of the C.P.F amount in the account of the Staff concerned. The details are given below:-

Particulars of deduction of CPF made	Particulars of Payment to the Bank for credit of PF amount in to A/C of Staff				Excess Payment ₹
	Amount ₹	Date	Cheque No.	Amounts ₹	
Month					
September,07	8,840	27/06/07	163673	34,334	1174
October,07	7,440				
November,07	8,440				
December,07	8,440				

09

Total	33160				
-------	-------	--	--	--	--

Effective Steps may be taken to recover the excess payment of ₹1174 from the Staff Concerned and shown to the next audit.

20. Kabir Anteshthi Scheme.

The following irregularities were noticed in the implementation of kabir Anteshthi Scheme.

(1) No register or records relating to The Scheme was maintained by Nagar Panchayat. Payment on this account was made only on the application of the Claimants of the deceased. But payee's receipt was not obtained from them which is quite irregular.

(ii) A total sum of ₹ 22,500 was paid on this account at the death of deceased but later on, the death Certificate was not obtained from the claimant in token of proof of death (vide details in Statement V of the report) As such, in absence of the said certificate, the genuineness of actual payment made to the claimants could not be ascertained in audit. Hence, the required certificate may be collected from the family concerned and the same may be produce to the next audit pending which the payment of ₹ 22,500 is held under objection.

(iii) In some cases, neither the application were duly recommended by the ward councillor nor those were initialed by the executive of the Nagar Panchayat and payment was made which is not regular

(iv) Certificate that deceased was belonging to B.P.L. F family, was not furnished in many application, due to which entitlement of claim could not be verified.

(v) Application of claimant was recommended before the death of the deceased which is evident from the undrmentioned example :-

Sl. No.	Name of claimant	Date of death of the deceased	Date of recommondation made by the ward councillor	Remarks Relation of claimant
1	Arvind Rebidas Malik sarai Islampur	30.6.10	2.6.10	Son
2	Anil Kumar Malik Islampur	25.6.10	3.6.10	Son

78

Thus, in the light of the fact as stated above, the payment made to the aforesaid claimants was quite take & bogus and it requires enquiry. Action may be taken accordingly.

The Executives of Nagar Panchayat is impressed upon to take early steps for necessary rectification of the irregularities as shown above in the light of the terms & conditions as laid down in the Kabir Anteshthi Scheme.

21. Advance

Advance Ledger/Register was not maintained, hence the actual position of advances outstanding in the beginning of the year, advances granted & adjustment made during the year and balance advance outstanding at the end of the year could not be ascertained in audit. Even the list of outstanding advances was not prepared by the Nagar Panchayat. As such the Case of the advances/time barred cases, could not be ascertained However, as per Cash Book the advances granted to the tune of ₹25,83,000 during the year 2007-08 to 2009-10 (vide details in Statement Vi of the report) were still (15.02.11) unadjusted and lying as outstanding against advance holders concerned. Effective steps may be taken to adjust/recover the said advance at earliest and shown to next audit. Further, Advance ledger /Register may also be maintained to reflect the factual position of advance as mentioned above.

22. Result of audit.

Result of audit is as follows.

- (i) Amount deposited at the instance of audit. Rs. 59470
 - (ii) Amount suggested for recovery. Rs. 12,19,629
 - (iii) Amounts held under objection. Rs. 22500
- (vide details in Statement VII of the report)

23. Discussion with the executives.

The important Points noticed in course of audit were discussed with the Executive of Nagar Panchayat from time to time and at the end of audit.

24. General Remarks

The maintenance of accounts of Nagar Panchayat was far from satisfactory and there were much scope of improvement. The supervision and regular checking over the collection account was not done by the Executives which resulted in various types of irregularities like short/non credit, delay in deposit of Nagar Panchayat revenue etc. The important records

77

VIZ Annual Accounts, Grant Register, Advance Ledger Audit Register, Property Register etc. were not maintained.

Several cases of loss of revenue to State govt due to non deduction of VAT in civil work were noticed. Huge advances were outstanding against employes. Holding tax & fee was not imposed and heavy dues were outstanding against settlee of sairats.

Attention of the executives is invited towards the aforementioned irregularities and it is impressed upon to take effective steps for remedy of those irregularities and for proper maintenance of accounts.

M.Chaudhary

I.P.A.I

(76)
No. L.A. (Sur)/

Dated:-

Copy forwarded to the Executive Officer Nagar Panchayat, Islampur for put up of this Audit Report in the meeting of the Board specially Called forit and for sending Compliance report within 3 months of the receipt of the audit report.

Sd/-
श्री. ए. प. अधिकारी / अधिचार,
स्थानीय लेखा परीक्षा शाखा,
का. प्र. म ले (वि. प.), बिहार, पटना
Sr. A O./Surcharge, L A Wing,
o/o The PAG (Au, Bihar, Patna)

No. L.A. (Sur)

128

Dated:-

28/06/11

Copy forwarded for information and necessary action to:-

1. The District Magistrate, Nalanda
2. ^{Pr.} The Secretary urban Development & Awas Department, govt, of Bihar Patna.
3. The AAO/Surcharge

28/6/11
Sr. A.O./Surcharge.
श्री. ए. प. अधिकारी / अधिचार,
स्थानीय लेखा परीक्षा शाखा,
का. प्र. म ले (वि. प.), बिहार, पटना
Sr. A O./Surcharge, L A Wing,
o/o The PAG (Au, Bihar, Patna)

APPENDIX-1

(75)

Showing list of accounts, registers ^{records} produced and test checked in audit (refer to in Para 3 of the report)

1. Cash Book (Main)
2. Treasury Book.
3. Bank Pass of State Scheme Fund, Nagar Palika Fund, XII FC Fund, S.J.S.R.Y Fund, Slum Area Development Fund, Royalty Fund, IDSMT Fund, Cessante Savings A/c of N.C.D.
4. Scheme Register
5. Scheme Files
6. Collection accounts (miscellaneous)
7. Scheme files of Municipal Savas.
8. Establishment Vouchers
9. Budget Estimates
10. Cashier's Cash Book
11. Kabis Anteshthi Schemes A/c
12. Purchase file of Vapom light.

12

Showing list of accounts, records and registers etc. not maintained or not produced to audit
(Referent to in Para 3 of the report)

1. Annual Statement of accounts. (07-08 to 09-10)
2. Grant Register
3. Grant Appropriation Register
4. Advance Ledger.
5. Property Register.
6. Reman & Collection Register of Ship Road
7. Reman & Collection Register of Mobile Tower
8. Resolution Book of Board.
9. ~~Seat Stock Register~~
10. Physical Verification report of permanent articles.
11. Stock & Issue Register of Sanitary Articles.
12. Stock & Issue Register of Electrical Articles.
13. Sanctions Strength & man. in position of municipal staff
14. Gratuity & Leave A/c's
15. P.F. Ledger
16. Acquittance Roll Register of municipal staff (Salary)
17. Remittance Register of VAT & Regaldy.
18. Birth & Death Registration A/c's.
19. Contractor's Registration Register.
20. Log Book of Tractor.

STATEMENT - I

111

(73)

Giving details of grants received from state Government and allied during the year 2007-08 to 2009-10 (Referred to in Para 9 of the report)

Sl. No.	Date of receipt	Sanctioning letter No & date	Purpose	Amount	Name of the Fund	Name of Bank & Account No in which fund lodged
1	2	3	4	5	6	7
				₹		
<u>2007-08</u>						
1.	19.4.07	Letter No-371 dated 5.2.07 (Govt. of Bihar N.V. & A.V. Patna)	Salaries & allowances of the staff of Nagar Panchayat	47,418	Sub Treasury Fund	Sub Treasury, Hilsa P.L.A/C. Nagar Panchayat
2.	do	Letter No-1398 dt. 30.3.07 (-do-)	Constn. of Administrative Building of Nagar Panchayat	28,87,875	State Financial Scheme Fund	S.B. 9, Islampur Savings A/C No - 11013 (114/7711013)
3.	10.12.07 25.3.08	Letter No-5264 dt. 26.11.07 (-do-)	Pay & allowances of the staff of Nagar Panchayat	4,74,180	Nagar Panchayat Fund	Sub Treasury, Hilsa P.L.A/C.
4.	26.12.07 25.3.08	Letter No-5274 dt. 19.12.07 (-do-)	XII F.C. 2nd instalment of 06-07 & first instalment of 07-08.	10,06,267	-do-	-do-
5.	22.2.08 28.3.08	Letter No-257/A dt. 19.2.08 (D.M. Nalanda)	Constn. of P.C.E. road & drain from M.P. Fund	1,75,000	-do-	-do-
6.	7.3.08 25.3.08	Letter No. (NA) Govt. of Bihar N. & A.V. Patna)	Installation of Hand Pipe (2) in each ward on the recommendation of M.L.A.	13,97,640	-do-	-do-
				Total	59,88,380	
<u>2008-09</u>						
7.	17.4.08 27.5.08	Letter No. (NA) A.D.C. cum CE-0, File Parishad, Nalanda under Govt. of Bihar P.R.1 Letter No-65 dt. 28.3.08)	B.R.C.F.	19,21,497	State Financial Scheme	S.B. 9, Islampur Savings A/C No - 11013
8.	22.4.08 7.5.08	Letter No-1948 dt. 17.4.08 (Govt. of Bihar N.V. & A.V. Patna)	Matching Grant on the recommendation of 300 SFC.	7,31,200	Nagar Panchayat Fund	S.B. 9, Islampur Savings A/C No - 11002
9.	22.4.08 7.5.08	Letter No-1617 dt. 27.3.08 (-do-)	XII F.C. 2nd instalment of 2007-08.	5,03,135	XII F.C. Fund	S.B. 9, Islampur Savings A/C No - 10881
10.	2.5.08 23.5.08	Letter No-301 dt. 28.3.08 (-do-)	IDSM T under Central Sponsorship	75,00,000	IDSM T Fund	Nalanda Gramin Bank, Islampur Savings A/C No - 5802
11.	14.6.08 18.3.09	Letter No-373 dt. 26.4.08 (By Director to Jyoti Special Defence, Nalanda)	Kabir Anitko	57,000		
12.	26.12.07 8.9.08	Letter No-1028 dt. 18.12.07 (Govt. of Bihar N.V. & A.V. Patna)	B.P.L.	30,855	State Financial Scheme	S.B. 9, Islampur Savings A/C No 11013
13.	25.2.08 30.12.08	Letter No. (NA) (-do-)	S.J.S.R.Y.	6,57,110 6,55,603 (out of 6,67,110)	S.J.S.R.Y. Fund	S.B. 9, Islampur Savings A/C No - 46614
				Total	1,14,00,797	

	3	4	5	6	7
			Rs. 1,14,00,797		
1.	1.12.08 1.1.09	Lethe N. (NA) (District Development Scheme, Nalanda)	M.P. Fund 1,00,000	State Financial Scheme	S.B.D, Islampur Savings A/C No. 11013
15.	6.12.08 24.1.09	- do -	Mukhya Mantri Shiksha Vikas Yojna on the order B.M., Nalanda (7 nos. Bistar Street light)	2,45,000	- do -
16.	14.2.09 19.2.09	Lethe No-59 dt 31.1.09 (B.M., Nalanda)	- do - for 30 Solar Street light	10,50,000	- do -
17.	14.2.09 18.2.09	Lethe No-60 dt 31.1.09 (- do -)	Constn of Chalka Nehru Park.	2,00,000	- do -
18.	11.2.09	Lethe No-4969 dt 19.2.08 Lethe No-4967 dt - do - Lethe No-4535 dt 29.8.08 (Govt. of Bihar N.V.S.A.V. Patna)	Constn. of Broad Constn. of drain Allowance of Mukhya Parishad & Up Mukhya Parishad	20,00,000 30,00,000 76,200	Nagari Panchayat Fund Sub Treasury, Hilsa PLAF.
19.	6.3.09	Lethe No-5745 dt 11.12.08 (- do -)	Paye allowance of staff of Nagari Panchayat	3,79,344	- do -
20.	- do -	Lethe No-5 dt 9.2.09	Constn. of Park	27,58,540	- do -
			Total.	2,12,09,881	

2009-10

21.	30.5.09 6.6.09	Lethe No-172 dt 25.5.09 (D.D.C. Nalanda)	B.R.G.F. Balance amount of 2007-08 & left amount of 2008-09	15,55,526	State Financial Scheme	S.B.D, Islampur Savings A/C No-11013
22.	2.9.09	Lethe No- (NA) B.M., Nalanda	17th Census of animal.	9,928.	- do -	- do -
23.	15.10.09	Lethe No- (NA) B.D.O. Islampur	Kabis Akshati	24,000		
24.	12.1.10	- do -	Grant for Potato & onion (Competition)	50,000	State Financial Scheme	S.B.D, Islampur, Savings A/C No-11013
25.	30.1.10 4.2.10	Lethe No-251 dt 25.1.10 (D.D.C. Nalanda)	B.R.G.F. Scheme for 2009-10	15,81,286	- do -	- do -
26.	17.2.10	Lethe No- N.A (District Development Scheme, Nalanda)	Mukhya Mantri Shiksha Vikas Yojna	2,00,000	- do -	- do -
27.	- do -	- do -	M.P. Fund	75,000	- do -	- do -
			Total	34,95,740		
		M.A. (IPAI)	G. Total	3,06,94,001		

14
 Abstronct of Grant
 07-08 - 59,88,380
 08-09 - 2,12,09,881
 09-10 - 34,95,740
 Total - 3,06,94,001